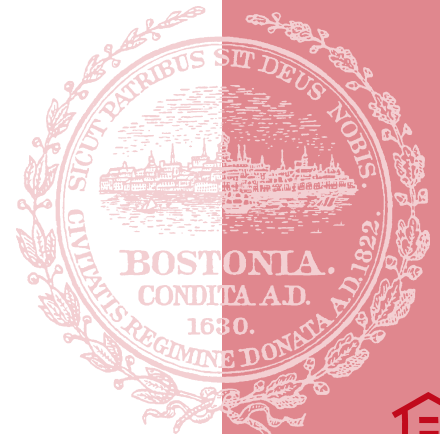


Leading the Way

A Report on Boston's Housing Strategy FY 2001-2003

October 2000

Thomas M. Menino
Mayor





Acknowledgements

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Other Groups Consulted

Boston Municipal Research Bureau
Boston Tenants Coalition
City Life
Greater Boston Chamber of Commerce
Greater Boston Interfaith Organization
Greater Boston Legal Services
Massachusetts Affordable Housing Alliance
Massachusetts Housing and Shelter Alliance
Local Initiatives Support Corporation

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Victoria Williams, Commissioner, Fair Housing Commission
Members of the Boston City Council



October 2000

Dear Friends:

These are exciting times for Boston. In the last eight years, Boston has created almost 113,000 new jobs. Our unemployment and crime rates are at record lows, and the quality of life in our neighborhoods has never been better. One of the greatest challenges we face is a direct result of our new prosperity. We simply cannot build enough housing to meet the demand, and low- and middle-income families and the elderly are being priced out of their neighborhoods.

Affordable housing is one of my top priorities. While the state and federal government have abandoned their roles, Boston continues to meet its responsibilities. Last year we made real progress. We had over 2,000 housing starts, an increase of 135% from the year before. We saved 1,400 affordable apartments from being converted to market rate. We have committed \$30 million to housing from the sale of the City's surplus property. I signed an inclusionary development policy, and we raised linkage fees by 9%. Despite our efforts, we need to do even more.

In the spring of 2000, I convened a panel of advisors to formulate a new housing strategy called *Leading the Way*. The Advisory Panel worked hard. I thank them for their dedication and commitment.

This report is a blueprint of our strategy, and it challenges our partners to help us build more affordable housing. Boston cannot solve a regional housing crisis on its own. We need a strong collaboration with our private partners, including developers and the banking industry, and an increased commitment from our public partners in other municipalities and in the state and federal governments. My administration has always been willing to face the housing issue head on. Now, we challenge all of the other stakeholders to do the same.

Leading the Way lays the groundwork so we can accomplish our goals. I look forward to working with all of you to create more affordable housing.

Sincerely,

Thomas M. Menino
Mayor of Boston



Leading The Way: Contributing Cabinet Members



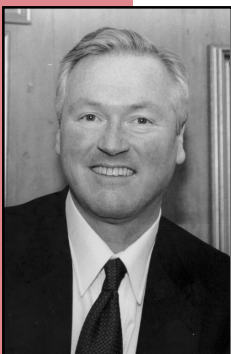
***Charlotte Golar Richie, Chief of Housing and Director
Department of Neighborhood Development***

Charlotte Golar Richie heads the agency which will participate in the development of 2,100 new City-assisted housing units and the preservation of over 5,300 existing affordable units during the next three years. Additionally, DND will assist 3,000 homeowners with rehabilitation assistance and help 2,000 Boston tenants become homeowners. In 1999, DND contributed to the Mayor's challenge to produce 2,000 new units of housing and helped finance the preservation of 1,400 affordable apartments. DND will provide information about City-owned land and buildings on the first-ever housing website which will make available for housing development 1,000 parcels of land valued at over \$15 million.



***Sandra B. Henriquez, Administrator/CEO
Boston Housing Authority***

Sandra Henriquez heads the region's largest provider of housing for low-income people. The BHA will rehabilitate 1,100 currently vacant and uninhabitable public housing units over the next three years. The BHA also oversees the provision of rental assistance to almost 11,000 low-income households. Additionally, the BHA is currently completely redeveloping over 1,000 units of public housing at its Orchard Gardens and Mission Main developments in Roxbury, and is moving toward a similar redevelopment at its Maverick development in East Boston.



***Mark Maloney, Director
Boston Redevelopment Authority***

Mark Maloney oversees the agency responsible for managing all of the City's planning, zoning and development functions. The BRA will lead the effort to encourage the private sector to produce 4,300 new units of middle-income and market-rate housing over the coming three years. Additionally, the BRA will use its real estate portfolio and regulatory authority to participate in the development of 2,100 new City-assisted units and the preservation of 5,300 affordable apartments. The BRA is also responsible for the management of the City's Linkage Program and Inclusionary Development Policy, and has successfully worked with Boston's colleges and universities to produce over 10,000 dorm rooms over the last eight years.

Leading the Way Boston's Housing Strategy FY 2001-2003

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Executive Summary

Leading the Way: A Housing Strategy for Boston outlines the City of Boston's campaign to increase and protect Boston's housing supply over the next three years. Since January 1999, Mayor Thomas M. Menino has focused on housing as a top priority for his Administration. This report details a strategy to build on the Administration's commitment to create and preserve housing in Boston.

Under the Mayor's leadership, this three-year campaign will unify and focus all of the City's housing agencies around a comprehensive Strategy to advance key objectives: produce new housing at all income levels and preserve as much of the City's affordable housing as possible. The Strategy sets ambitious goals that will result in the production of 7,500 new units. This includes 2,100 affordable units, 4,300 new market rate units and the restoration of 1,100 vacant public housing units. In addition to the production of new housing, 10,000 units will be preserved.

To meet the goals set forth, Boston's Housing Strategy combines existing programs with new resources and initiatives. It includes a strategic plan to use **\$30 million** in City resources, **5.5 million square feet** of City-owned land, valued at **\$15.5 million**, and calls for **\$50-\$100 million** of new private capital dedicated to affordable housing.

In total, this Housing Strategy represents public and private investment of more than \$2 billion over the next three years.

In this report, the City of Boston:

- Identifies the complex forces that shape the Boston housing market in 2000;
- Reviews the policies and programs City housing agencies have in place to address Boston's housing needs;
- Defines a series of strategies that build on and expand Boston's current housing initiatives to meet ambitious production and preservation goals;
- Calls on partners to help Boston meet our objectives;
- Outlines a plan for action and accountability to ensure that our goals are met.



BOSTON'S HOUSING CHALLENGES IN A REGIONAL MARKET

In the first year of the 21st Century, Boston is financially strong. Metropolitan Boston has the fourth largest economy in the nation. Over 18,000 new jobs were created in Boston alone last year, and over 42,000 new jobs in the metropolitan area. This puts enormous pressure on the regional housing market. Boston's housing challenges reflect many factors:

- Other than Boston, only seven of the 129 communities in the metropolitan area meet the minimum goal that 10% of their housing stock is government-assisted, affordable housing. This has created a 37,000-unit shortfall in affordable housing, most highly concentrated in Boston's closest neighbors. With almost 20% of its stock subsidized, Boston provides over 40% of the region's affordable housing.
- Federal spending for housing has dropped from a high of 7.5% of the Federal budget in 1978 to only 1.5% today.
- Housing production metro-wide is only 56% of what is needed to meet the growing demand in the region.
- The end of rent control as well as owner prepayments of Federal mortgages have resulted in almost 18,000 affordable rental units in Boston going to market prices over the last five years.

These factors have resulted in some severe housing impacts in Boston today:

- In a city of 228,500 households, over 54,000 spend more than 50% of their incomes on housing.
- Boston has a record number of homeless – 5,820, exceeding the previous record of 5,299 set in 1994.
- An average two-bedroom apartment in Boston now lists for \$1,448 per month – 59% higher than the \$909 listing price in 1995.
- House prices are up 23% from just a year ago. Only one in four Bostonians can afford the average price of \$224,000.
- Over 15,000 households are on the waiting list for public housing.

BOSTON'S RESPONSE

While the City of Boston cannot solve the regional housing crisis alone, Mayor Menino has committed his Administration to providing leadership. Boston's Housing Strategy recognizes that the regional and local imbalance of supply and demand and the resultant hardships created by our strong growth require two immediate responses:

- 1) **We must increase the supply of housing.** Production of new housing for people at all income levels is needed to achieve a balanced and stable housing market.
- 2) **We must preserve and protect the affordable housing we have.** Preservation of existing housing and protection for households who are casualties of our strong economy must be an immediate priority.

The report details both existing programs in the City's tool kit and new initiatives to help us meet our goals. The \$30 million recently committed by Mayor Menino is an important new City resource to help meet these ambitious goals. The City has a strong commitment to make units created or preserved available to a range of incomes. Our strategies will preserve the City's economic diversity and ensure that Boston doesn't become a city of rich and poor. Set-asides of newly-created affordable units and aggressive use of rental vouchers and counseling will insure that affordable units can serve very-low income and homeless persons and families. Developers will be encouraged, through the use of tax incentives, to produce housing for middle-income families.

KEY INITIATIVES TO ACHIEVE PRODUCTION AND PRESERVATION GOALS

- ***Public Housing:*** The City will bring back on line all 1,100 long-term vacant units of public housing. New financing tools will leverage State and Federal funding for public housing revitalization. This will be the first time in over 20 years there will be no boarded up public housing in Boston.
- ***Land for Housing:*** The City will make 1,000 parcels, valued at \$15.5 million, available for development; catalogue on the Web all of its developable land resources; negotiate with other land owners and start construction on major development sites. City Requests For Proposals (RFPs) for land disposition will promote mixed-income housing or will use the net proceeds of a market sale of land for affordable housing uses.
- ***\$50-\$100 Million Low-Interest Loan Fund:*** Boston businesses and institutions will be called upon to contribute to a low-interest loan and grant pool to finance affordable housing. Partnership contributions will increase the impact of City funding and deepen affordability.
- ***Development Process Reforms:*** The City will support its housing producers by:
 - 1) Continuing to expedite the City's permitting systems, including the appointment of a "Permits Czar," to facilitate the development process;
 - 2) Creating a new dynamic for community review and participation that will address legitimate community concerns while responding to developers' needs for timelines and predictability;
 - 3) Implementing new comprehensive planning and zoning management initiatives to facilitate housing development.
- ***Abandoned and Vacant Housing Initiatives:*** Seniors and low- and moderate-income homeowners will receive technical assistance and funding to bring units back on line. Receiverships will be employed to attack the most intractable owners of abandoned property.
- ***Housing Preservation Alliances:*** The City will provide funds to help tenants avoid displacement and to help non-profits buy buildings in transitional neighborhoods before the prices spiral out of control.

- ***Preserving At-Risk State and Federal Housing:*** The City will work with owners and non-profit partners to preserve units at-risk of losing subsidies or affordability restrictions. Additionally, the City will also call upon the Massachusetts Housing Finance Agency (MHFA) to protect all affordable units in its SHARP developments.
- ***Employer Homeownership Challenge:*** The City will encourage employers to contribute to employee homeownership. Matching grants and loans will increase affordability and allow more employees to own in the City.

PARTNERS AND RESOURCES:

In order to meet its goals, much will be required from the City and its partners:

The City of Boston is taking the lead. The City will:

- Contribute \$30 million in new City funds from the sale of City assets and from the surplus property fund to increase affordable housing;
- Support production and preservation efforts by using \$131 million in locally managed funds, including CDBG, HOME, Linkage, Lead Paint Abatement Funding, Public Housing Capital Funding and revenues from surplus property sales to leverage another \$760 million in public and private development financing;
- Provide funds from its new Inclusionary Development policy;
- Lobby for and utilize increased Linkage fees for affordable housing;
- Make 1,000 of its parcels of City-owned land available for housing development;
- Coordinate land acquisition and aggregation from other private and public sources;
- Further improve its housing permitting process and create new community review procedures that will make the housing development process more predictable;
- Advocate for a regional, statewide and national commitment to housing production, and a fair share of resources for Boston;
- Convene a blue-ribbon panel to examine other, new City housing resources, including bond revenues and tax abatements to be dedicated to affordable housing.

The City will ask much of its partners:

The pipeline of ready-to-go housing projects is tremendous. The City has projects in the pipeline *right now* that can quickly turn this funding into affordable housing. To get these units on line and encourage more, we will call on our partners to help us sustain Boston's economic vitality and diversity.

- The Federal and State Governments must provide more resources for affordable housing.

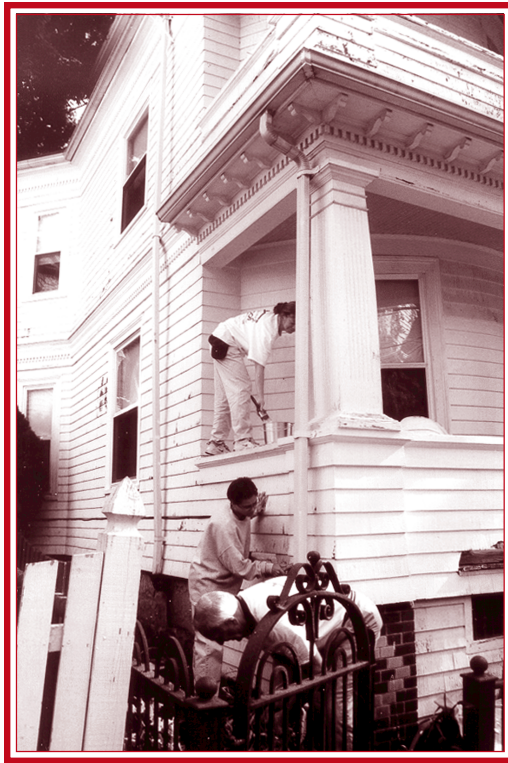
- Business and institutional partners will be asked to contribute to a \$50 - \$100 million housing finance pool of low-interest loans and grants to help us leverage City resources even further.
- Colleges and Universities will be asked to create more student housing.
- Private developers will be asked to step up production with new housing designed to community standard.
- Rental property owners will be called on to make a pledge to cease excessive rent increases that are increasingly commonplace in this tight market.
- Neighborhoods must put out the welcome mat for new housing.
- The region must do its fair share to meet regional housing demand.

A PLAN FOR ACTION AND ACCOUNTABILITY

The success of our Housing Strategy will be measured on how much housing we produce and preserve and how well we keep Boston affordable to a broad range of incomes. It is important to establish goals and a system of oversight and accountability. This report suggests the following ways to keep our Strategy on track:

- City Housing Agencies will develop clear performance goals and timelines along with clear lines of responsibility for achieving those goals;
- The Mayor's Housing Advisory Panel will meet semi-annually at which time the City will provide a report on its performance;
- The Advisory Panel will also reassess the Housing Strategy on a regular basis to ensure that the City's efforts are still strategic and appropriate for the housing issues we face at the moment.

In summary, the Menino Administration is committed to ensuring a place in the City for all Bostonians. City housing agencies will focus intensely on production and preservation through a series of new initiatives combined with tried and true programs. Boston is fortunate to have an array of partners with energy and talent who are committed to working with the City to find solutions. Over the past year, we have reviewed an extensive and impressive catalogue of housing actions assembled from many individuals, elected officials, developers, community organizations and advocacy groups. Their input has informed our report and energized our work.



INTRODUCTION

Leading The Way: A Housing Strategy For Boston examines Boston's housing market in the context of the powerful regional economic forces that shape it and identifies concrete actions that the City of Boston will take to increase and protect its housing supply during the next three years.

In the Spring of 2000, Mayor Thomas M. Menino convened a Housing Advisory Panel of experts to advise the City in charting a housing strategy. The Advisory Panel was asked to contribute to the development of a comprehensive Housing Strategy that engaged the City housing agencies in an effort to preserve the existing stock, increase production and provide access to low-income and homeless persons and families. This report reflects the insights and recommendations of the Advisory Panel along with input from many individuals and housing advocacy organizations.

The City of Boston recognizes that the scale of its housing needs far exceeds the resources that are available to meet those needs. For example, the U.S. Department of Housing and Urban Development's (HUD) most recent allocation of Section 8 vouchers to the City, although the largest in many years, still only meets 1.4% of Boston's most critical housing needs by HUD's own calculations. Despite this stark reality, the City of Boston recognizes that it has two primary obligations to its citizenry: 1) to rally all the resources we do have to address our needs in the most strategic manner possible, and 2) to provide leadership for other cities and states to get housing back onto the national agenda. This housing strategy represents the blueprint for the City's plans to achieve these objectives. In the short term, we will make available every resource we can, and in the long term, we will work toward a renewed Federal commitment to this critical issue.

Renewing the American Housing Agenda

Boston has a unique opportunity to provide national leadership on the issue of housing. Mayor Menino has a key role in the U. S. Conference of Mayors. In December of this year, Boston will host the National League of Cities conference that will bring city leaders from around the country to discuss how America's cities will work with a new Federal administration. Building from these events, and with the critical support of a Congressional delegation that supports an expanded Federal role in housing, the City will help organize and lead the way to a renewed American housing agenda.

The success of this new agenda will require the recommitment of the Federal government to the goal of making housing affordable to America's working families. This new Federal agenda must include:

- A commitment to let no more Federally-financed housing leave the affordable housing pool through owner buyouts and foreclosures;
- A renewed commitment to a comprehensive strategy to assist our nation's homeless so that every city in America can provide the continuum of care for the homeless that has earned Boston national recognition;
- A commitment to end the scourge of vacant and dilapidated public housing scarring our inner city neighborhoods;
- A plan to fundamentally reinvent the Section 8 program so that program participants are not forced to return vouchers for lack of available apartments in a few targeted neighborhoods while they are denied access to most of the metropolitan area.

These priorities are clearly reflected in Boston's request for Federal support in this Housing Strategy.

Expanding the Local Housing Agenda

The Menino Administration has made significant progress on an ambitious local housing agenda. The Mayor's housing team of Charlotte Golar Richie, Chief of Housing and Director of the Department of Neighborhood Development (DND), Sandra B. Henriquez, Administrator/CEO of the Boston Housing Authority (BHA), Mark Maloney, Director of the Boston Redevelopment Authority (BRA), and Kevin Joyce, Commissioner of the Inspectional Services Department (ISD), will focus their joint efforts in a comprehensive and complex strategy to address Boston's housing challenge by implementing the steps advanced in this three-year campaign.

Boston's housing market is responding to the strong economy and high demand for housing with tremendous upward pressure on prices. Coupled with the regional deficit of affordable housing, we are facing a housing market badly out of balance. To address this imbalance, the key elements in Boston's Housing Strategy are straightforward and direct:

- The **production** of new units, both affordable and market rate, including significant improvements to bring vacant public housing units back on line;
- The **preservation** of existing stock including efforts to keep these units affordable and to increase non-profit and resident ownership.

With the well-publicized housing crisis plaguing Boston and the average resident unable to afford spiraling rents or home prices, our Housing Strategy must increase the supply of units *and* preserve the units we already have.

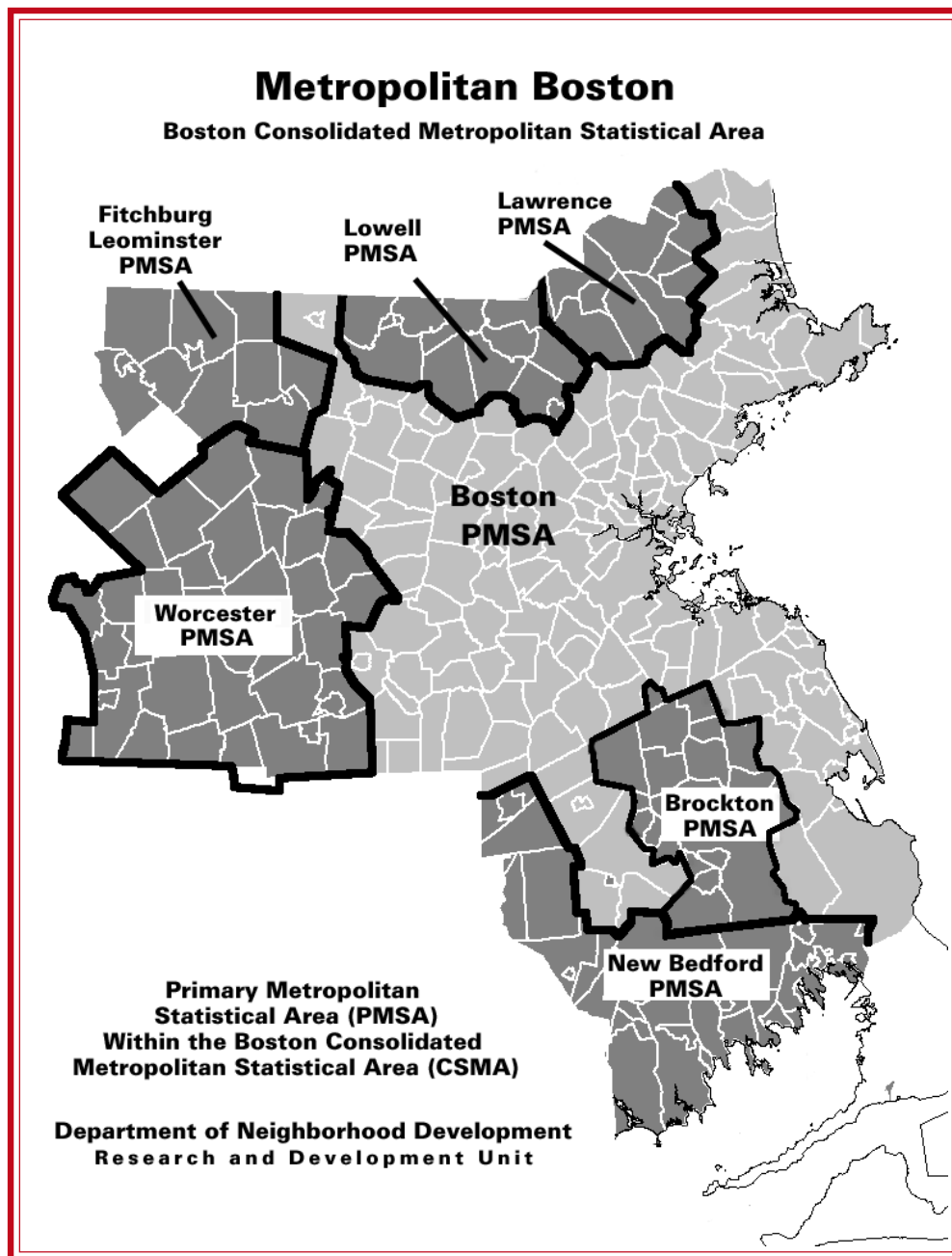
Yet, the City of Boston cannot be expected to adequately satisfy the housing demand for the entire metropolitan area. It is only one of 129 communities in the region with housing needs. However, Mayor Menino recognizes that, as the largest community in the region, Boston has a pivotal role in providing leadership for this State in tackling the shortage of housing. *Leading the Way* provides a roadmap, with realistic and practical actions that the City will take, to meet the housing challenge.

We will call on government, business and institutional partners to help us carry out our strategy. The State and Federal government, as well as other communities in the region, must increase their efforts. Employers and institutions will be asked to play key roles in this concerted civic effort.

Leading the Way proposes a number of initiatives and policy prescriptions to guide Boston housing policy. Program tools, policy initiatives, regulatory interventions and resources must be linked together in a unified campaign to increase and preserve quality affordable housing. And while we increase the number of units and prevent more loss, we will make sure that we do not lose sight of our most vulnerable populations, the homeless and the elderly. We will ensure that they are protected and have a special priority in the City's efforts.

This report:

1. Identifies the complex forces that shape the Boston housing market in 2000;
2. Reviews the policies and programs City housing agencies have in place to address Boston's housing needs;
3. Defines a series of strategies that build on and expand Boston's current housing initiatives to meet ambitious production and preservation goals;
4. Calls on partners to help Boston meet our objectives, and;
5. Outlines a plan for action and accountability to ensure that our goals are met. The work of the Housing Advisory Panel will continue as they receive and evaluate semi-annually performance reports.



I. THE FORCES SHAPING THE BOSTON HOUSING MARKET IN 2000

BOSTON IN A METROPOLITAN HOUSING MARKET

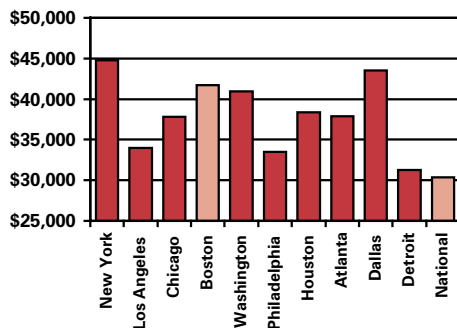
The dimensions of Boston's housing challenge can be seen every day in our skyrocketing rents, bidding wars for new homes and increasing number of homeless persons in our shelters. The combined forces of a strong economy, renewed interest in city living, and a surge in regional housing demand have created unprecedented pressure on Boston's housing system.

A GROWING REGIONAL ECONOMY

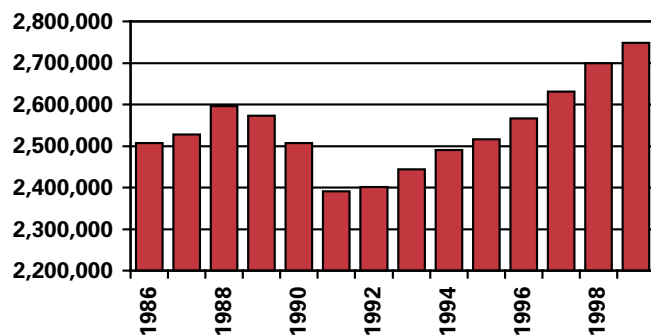
Greater Boston stretches from the border of New Hampshire to Rhode Island. This metropolitan region now has the nation's fourth largest economy with a \$215 billion annual gross product. Greater Boston also has one of the most productive workforces in the country, with a gross product per capita of \$41,730 – 37% higher than the national average¹.

The metropolitan Boston economy has been growing since 1992. While the first four years of growth made up for the job losses that occurred during the recession of 1988-1992, since 1996 new job growth has increasingly attracted new residents to the Boston area. In 1999, over 42,000 new jobs were created in greater Boston, 18,300 of which were located in the City of Boston.

Productivity in the 10 Largest Metro Economies, Per Capita 1999



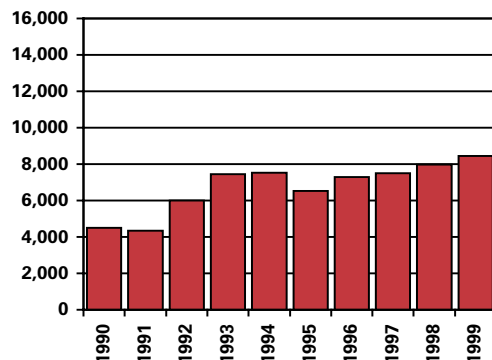
Metro Boston Employment 1986-1999



IMPACT OF THE GROWING ECONOMY ON THE REGIONAL HOUSING MARKET

Newly created jobs increase the demands on a regional housing market where supply has not kept pace with demand. Not only are more wage earners looking for housing, but these skilled workers often have more income to put toward the cost of housing. This imbalance will continue to put pressure on prices until the supply of housing can catch up. When housing production doesn't keep up with the demand generated by the growth in the number of households, vacancy rates decline to dangerously low levels. That translates to upward pressure on prices and rents. To accommodate new households and maintain a more reasonable vacancy rate,² it is estimated that approximately 15,000 new housing units must be added to the regional housing stock annually.³

**METRO BOSTON
NEW HOUSING STARTS 1990-1999**



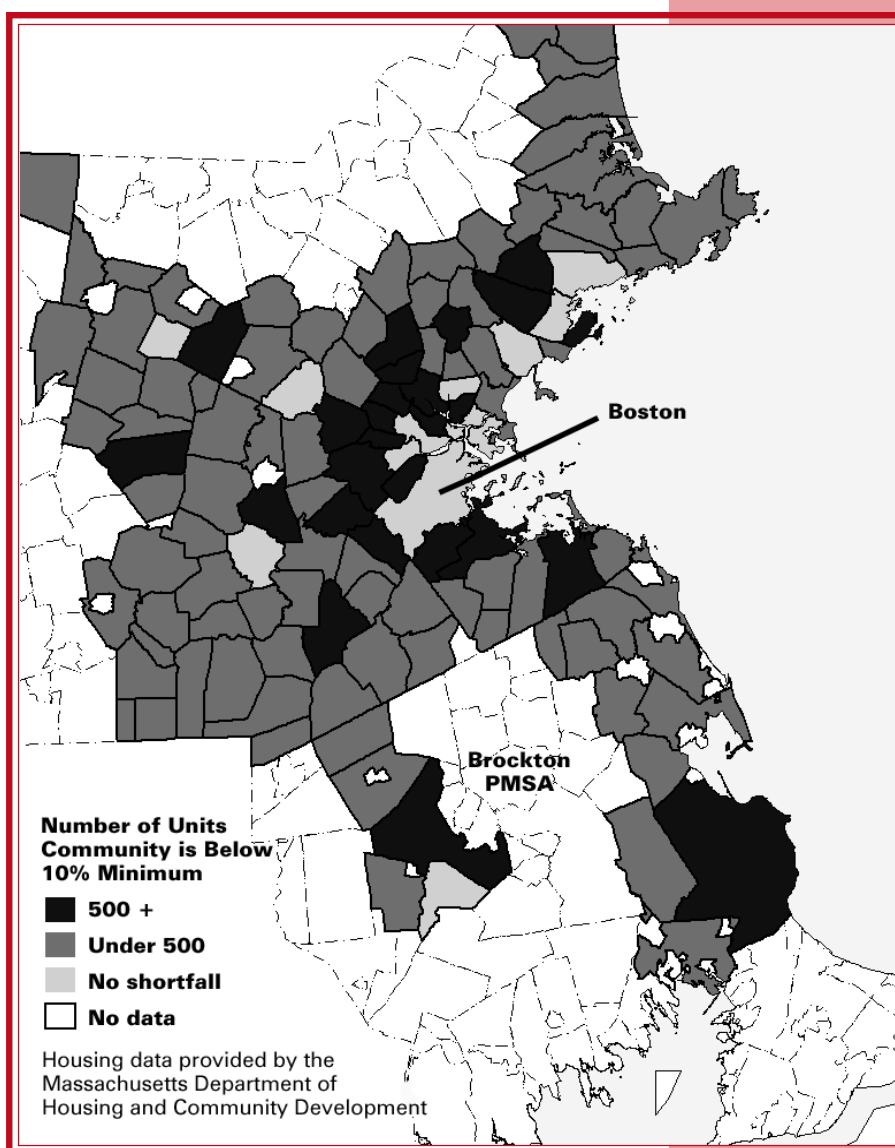
Housing production in the region has fallen far short of that level over the last four years. It is this deficit between housing demand and housing creation that is putting pressure on prices and rents. In 1999, regional housing starts, although the highest in over a decade, were only 56% of what was needed to balance the housing market. Today, we not only have to accommodate the demand from current job growth, but we also need to make up for the production deficits from previous years.

THE AFFORDABLE HOUSING DEFICIT

Market pressures put additional demands on the stock of subsidized housing as more and more Boston tenants face rents that are beyond their means. Unfortunately, there is a substantial deficit of affordable housing in the region. Other than Boston, only seven of the 129 communities in the metro area meet the State's minimum standard (Chapter 774) that 10% of their housing stock be affordable (refer to Appendix 1).

Many of the communities with the largest deficits such as Newton and Arlington are also some of Boston's closest neighbors – putting additional pressure on Boston's affordable housing stock. As of 1998, there were over 203,000 households in the metro area spending more than half of their income on rent.⁴ These are households with severe rent burdens many of whom are qualified for, and need, rent assistance or subsidized housing. If all the suburbs had met their 10% affordable housing goal, there would be additional 37,226 units of affordable housing in the region. Without these units, the regional housing picture shows a severe affordable housing deficit.

The lack of affordable housing production outside of Boston has put enormous pressure on the city. Boston's commitment to affordable housing far outpaces all of its suburbs. Boston provides 41% of the region's subsidized housing. Almost 20% of Boston's housing stock is government-assisted housing. In some neighborhoods, over 40% of the stock is subsidized.



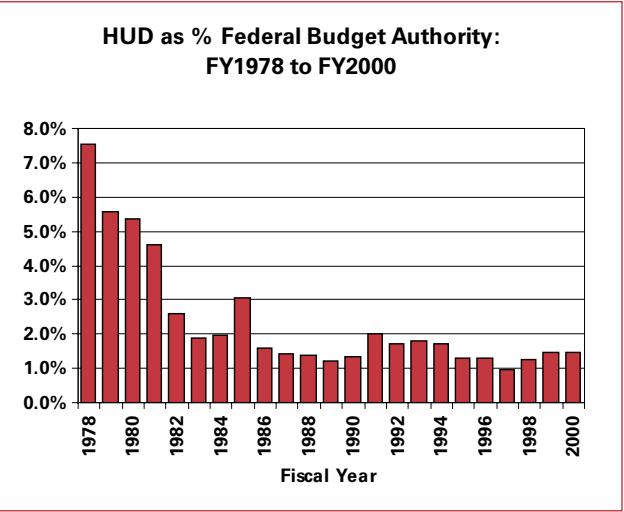
FACTORS CONTRIBUTING TO THIS AFFORDABLE HOUSING DEFICIT

While it might be easy to assume that this deficit is simply a product of suburban resistance to subsidized housing, there are also many other factors at play, including the following:

Federal Resources

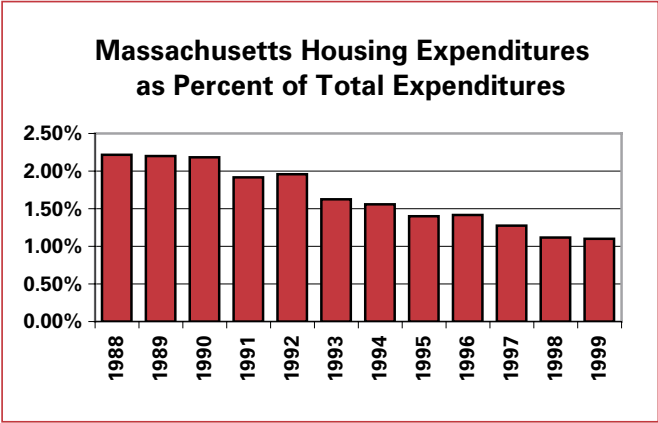
Since 1978, the Federal government has made a steady withdrawal from its role as a critical provider of affordable housing nationally. In FY1978, the Department of Housing and Urban Development accounted for 7.5% of the Federal budget, and by FY1986 it was only 1.6%. This withdrawal continued almost unabated through the 1990s – by FY2000, HUD’s budget was still only 1.5% of Federal spending. The most dramatic declines occurred in the area of assisted housing creation which fell from a peak of over 200,000 units in the late 1970s to virtually zero in the mid 1990s.

HUD’s most recent budgets have provided funds for 60,000 new Section 8 vouchers – a marked increase from the recent past, but far from what is needed to have any impact nationally. Boston’s share of these vouchers, representing 438 units, address only 1.4% of HUD’s estimate of Boston’s need.



State Resources

During the 1980’s, the State Government filled much of the void left by the Federal government’s withdrawal from housing with significant increases to its housing budgets and many new housing production programs. That ended in the early 1990’s when the State began to decrease its commitment to housing. The share of the State budget devoted to housing has decreased from a high of 2.22% in 1988 to only 1.10% in 1999.



Loss of Affordable Housing Units

Through the expiration of Federal and State affordability restrictions and the loss of rent control, almost 18,000 units have lost affordability protections since 1995. Over the next three years, 5,000 more units are at risk as owners become eligible either to prepay their mortgages and terminate use restrictions or when their State operating support is scheduled to end.

Production Costs

The cost of producing housing in the Boston area is extremely high. There are a number of reasons for this. Community standards for design and construction, while often justifiable, are appropriately demanding. The labor shortage in the construction trades drives up costs as the Big Dig and new commercial developments compete for a limited labor pool. Land costs have soared, especially in areas of the City where land is scarce and competition from commercial development elevates prices. In addition, older urban locations requiring environmental cleanup can add significant costs to housing development.

Student Housing

Students in Boston's 35 colleges and universities have put enormous pressure on rental housing markets, especially in neighborhoods such as Allston-Brighton and Fenway-Kenmore where there are large concentrations of educational institutions. There are 135,382 students enrolled in Boston's colleges and universities, 90,600 of whom live in the City of Boston. Over the last eight years, many colleges have been building new dorm facilities increasing the stock by 10,511 to a current level of 28,479 dorm beds. That still leaves over 62,000 students living with their families or competing in Boston's private rental market for off-campus housing.



Davenport Commons, Lower Roxbury

IMPACT OF THESE HOUSING DEFICITS ON BOSTON

Boston is struggling with the impact of the strong economy and the regional deficit of affordable housing. Rapidly appreciating property values, skyrocketing rents and increased homelessness are all symptoms of a housing market badly out of balance.

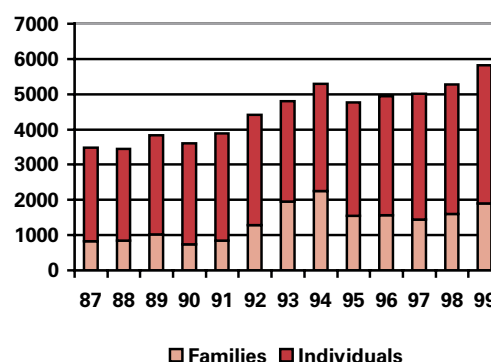
The breadth and complexity of the impact on Boston, as a result of the strong economy and regional housing imbalance, can be seen in the facts that document Boston's current housing crisis:

- **House Prices:** The median home price in Boston was \$224,000 in the second quarter of 2000 – up 23% from the same period last year. The combination of these price increases *and* interest rate increases makes homeownership increasingly unattainable for the average Boston renter. *Only one of four Bostonians has the necessary income to afford a home at \$224,000.* The following table shows how house prices have changed in Boston's neighborhoods between 1998 and mid 2000. For each neighborhood, the housing type that makes up the largest proportion of that neighborhood's real estate transactions has been chosen.
- **Public Housing:** There are more than 14,000 people on the waiting list for the 15,000 units owned by the Boston Housing Authority.

	HOUSING TYPE	PRICE 1998	PRICE 2000	CHANGE 1998-2000	CHANGE 1998-2000
ALLSTON/BRIGHTON	Condominium	\$95,500	\$129,000	\$33,500	35%
BACK BAY/BEACON HILL	Condominium	\$300,000	\$350,000	\$50,000	17%
CENTRAL	Condominium	\$217,500	\$286,750	\$69,250	32%
CHARLESTOWN	Condominium	\$219,200	\$321,000	\$101,800	46%
DORCHESTER	Three Family	\$145,000	\$220,000	\$75,000	52%
EAST BOSTON	Three Family	\$120,000	\$215,000	\$95,000	79%
FENWAY/KENMORE	Condominium	\$164,000	\$169,600	\$5,600	3%
HYDE PARK	Single Family	\$129,000	\$180,000	\$51,000	40%
JAMAICA PLAIN	Condominium	\$143,000	\$175,000	\$32,000	22%
MATTAPAN	Single Family	\$114,200	\$158,900	\$44,700	39%
ROSLINDALE	Single Family	\$155,250	\$215,000	\$59,750	38%
ROXBURY	Three Family	\$103,000	\$200,000	\$97,000	94%
SOUTH BOSTON	Condominium	\$142,000	\$189,500	\$47,500	33%
SOUTH END	Condominium	\$205,000	\$319,000	\$114,000	56%
WEST ROXBURY	Single Family	\$194,500	\$256,500	\$62,000	32%
CITYWIDE	Single Family	\$148,900	\$206,250	\$57,350	39%
	Two Family	\$164,600	\$225,000	\$60,400	37%
	Three Family	\$150,000	\$229,750	\$79,750	53%
	Condominium	\$175,000	\$215,000	\$40,000	23%
	All	\$165,000	\$224,000	\$59,000	36%
DATA SOURCE: Banker & Tradesman: all residential transactions between \$25,000 and \$1,000,000					

- **Homelessness:** In 1999, Boston had a record number of homeless people — 5820, exceeding the previous record of 5,299 set in 1994. Since 1997, the number of homeless people is up 16% and the number of homeless families is up 32%.
- **Condominium Conversions:** In the 1990's, 2,579 rental units were lost due to conversion to condominiums. The strong condo market of recent years indicates that this process may accelerate.
- **Artists Housing:** Boston's thriving arts community is increasingly being threatened as live-work spaces are lost to market forces and suitable new locations are becoming more difficult to find.
- **Rental Housing Market:** As vacancy rates have dropped, rents have increased dramatically. By mid-2000, an average two-bedroom apartment in Boston listed for \$1,448, a 59% increase over the \$909 listed price in 1995.

BOSTON'S HOMELESS 1987-1999



ADVERTISED ASKING RENTS IN BOSTON'S NEIGHBORHOODS 1995-2000
2-BEDROOM APARTMENT EXCLUDING UTILITIES

NEIGHBORHOOD	1995	1999	Mid 2000	1995-1999	1995-2000
ALLSTON-BRIGHTON	\$893	\$1,275	\$1,350	43%	51%
BACK BAY BEACON HILL	\$1400	\$1,800	\$2,098	29%	50%
CENTRAL	\$1500	\$1,800	\$1,700	20%	13%
CHARLESTOWN	\$1200	\$1,500	\$1,500	25%	25%
DORCHESTER	\$675	\$975	\$1,125	44%	67%
EAST BOSTON	\$650	**	**	**	**
FENWAY/KENMORE	\$1,050	\$1,600	\$1,600	52%	52%
HYDE PARK	\$700	\$1,100	**	57%	**
JAMAICA PLAIN	\$775	\$1,200	\$1,200	55%	55%
MATTAPAN	\$688	**	**	**	**
ROSLINDALE	\$725	\$1,000	\$1,200	38%	66%
ROXBURY	\$688	\$1,100	**	60%	**
SOUTH BOSTON	\$825	\$1,300	\$1,300	58%	58%
SOUTH END	\$1,200	\$1,750	\$1,800	46%	50%
WEST ROXBURY	\$850	\$1,150	\$1,175	35%	38%
CITYWIDE*	\$909	\$1,334	\$1,448	47%	59%

Data Source: The Boston Globe apartment listings first Sunday of the month. Apartments that include utilities or parking in the monthly rent are not represented in this survey.

* Citywide asking rents are calculated by weighing the individual neighborhood asking rents by the size of rental stock in each neighborhood.

** Insufficient data

BOSTON'S HOUSING NEEDS

From the American Housing Surveys in 1993 and 1998, the growing housing needs in Boston can be seen:

Housing Costs as % of Income in Boston 1993-1998

Renters	1993	1998	Change	% Change
<30% of Income	68,900	59,100	-9,800	-14.2%
30% - 49% of Income	40,500	35,300	-5,200	-12.8%
> 50% of Income	35,000	41,900	6,900	19.7%
TOTAL*	151,800	151,400	-400	-0.3%

Owners

<30% of Income	34,300	52,500	18,200	53.1%
30% - 49% of Income	9,400	9,800	400	4.3%
> 50% of Income	10,900	12,500	1,600	14.7%
TOTAL*	66,200	77,100	10,900	16.5%

All

<30% of Income	103,200	111,600	8,400	8.1%
30% - 49% of Income	49,900	45,100	-4,800	-9.6%
> 50% of Income	45,900	54,400	8,500	18.5%
TOTAL*	218,000	228,500	10,500	4.8%

* Totals include other categories such as payments not reported, no cash rent, \$0 or negative income

Data Source: American Housing Survey, U.S. Department of Census 1993, 1998

In the period between 1993 and 1998 when rents were deregulated in Boston, the number of renters with extreme housing cost burdens (over 50% of their income) increased by almost 7,000 households. That is a 20% increase at a time when the total number of renters in the City actually *decreased* slightly.

Homeowners posted an increase in the number of those with extreme housing cost burdens, jumping from 10,900 to 12,500 owners. This increase of 15% is, however, proportional to the 16% growth in the number of homeowners during that time.

These figures indicate the scale of Boston's housing needs, and illustrate why the City and the region will have to employ a series of strategies, including increasing resources devoted to housing production, to meet the demand.

The issues are complex but a regional approach, with Boston leading the way in production, preservation, and access to housing, can transform the landscape of housing opportunity.



II. BOSTON'S ACTIONS TO DATE

The City of Boston's response to the housing crisis has been strong and decisive. In January of 1999, Mayor Thomas M. Menino publicly declared housing a priority of his Administration. He elevated his housing department to cabinet level and convened weekly meetings with the heads of the City's housing-related departments.

The first and largest obstacle to housing production is adequate funding. To address this the Mayor, for the first time in City history, has made available \$30 million in City funds to directly support housing. He charged his housing agencies with doubling production in 1999. That number was surpassed with 2078 units produced and 1400 units preserved in 1999.

An inclusionary development policy (requiring that at least 10% of developments of ten or more units be affordable to moderate- and middle-income households) was implemented. A proposal raising the linkage fee was sent to the State Legislature for approval. Despite this significant progress, we know more must be done.

With so many households in need, Boston has developed an array of tools to address the many facets of the housing challenge. The focus of this section is to report on the *tools currently in place*. These tools are the baseline on which the City will build its next generation of housing initiatives.

Existing programs have already been successful in increasing supply. Three years ago, the pipeline for new housing production was low. Today, thanks to the hard work of Community Development Corporations (CDCs) and for-profit and other non-profit developers, the pipeline is full. The \$30 million that Mayor Menino has made available from the sale of surplus City property will ensure that the pipeline projects will be successfully completed.

Boston's existing housing initiatives are listed in two categories:

1. *Housing **Production*** initiatives to increase the supply of housing;
2. *Housing **Preservation*** initiatives to retain existing affordable housing.

In addition, Boston has programs to ensure that once affordable housing is produced, either in the private housing market or through Boston's own funding programs, it is accessible to qualified homebuyers.

HOUSING PRODUCTION INITIATIVES

Because of the imbalance between supply and demand, Boston has concentrated intense efforts on production. Creation of new housing is a priority.

Boston was able to more than double housing production from 888 units in 1998 to over 2,100 units in 1999. This proved that, with focus and will, housing production can be rapidly accelerated. The success of this initiative rested on a commitment to look for new and innovative ways to create housing and on a focused and coordinated effort by the City to facilitate private development. The following programs make up the City's housing production tool kit.

Rental Development & Homeownership Development Programs

The City provides funding to develop and preserve rental, cooperative and ownership housing through a competitive funding process four times a year. This schedule is timed to coincide with the State's funding cycle to maximize City leverage of State funding. In these competitions, for-profit and non-profit developers compete for very flexible funding. From FY1998 to FY2000 these competitions have funded the creation of 954 units of housing. The BHA's ***Project-Based Rental Assistance Program*** also provides Section 8 rental assistance to make some of the units developed through these programs even more affordable to lower-income households. Projects selected through these competitions work with the City to leverage additional non-City resources such as Low-Income Housing Tax Credits (LIHTC) from the State, Federal Home Loan Bank Board funding or State HOME Program funds as well as public and private debt.

Affordable & Assisted Housing For Seniors

This initiative combines City-owned and privately acquired property with Federal, State and City funding to create affordable housing for seniors.

Reflecting the diversity of housing needs of the elderly, this housing provides for a broad range of assisted living services – ranging from simple property management assistance to on-site healthcare services.



Longfellow House - Senior Housing, Roslindale

Supportive Housing Development for Homeless and Special Needs Populations

Combining City resources with Federal McKinney funding to produce housing for homeless and special needs populations, the City is a leader in providing supportive housing. In fact, Boston currently provides far more supportive housing for the homeless and special needs populations than any other community in the State. The need is enormous and the City of Boston will continue to make City-owned property and financing available to developers of this type of housing.

Mainstream Housing for Homeless Persons and Families

The City of Boston requires that 10% of all affordable units in City-funded rental developments of ten units or more be set aside for homeless persons or families. The BHA has made project-based Section 8 assistance available to deepen affordability in City-financed units and provide homeless and very low-income persons access to housing that is otherwise affordable only to those at 50-60% of median income as defined by HUD (refer to Appendix 2). As part of this effort, the City encourages CDCs, non-profit organizations, and for-profit developers to include units for the homeless in their developments. The City works closely with these developers to form partnerships, to better understand the barriers to development, and to provide appropriate incentives to support this type of creative housing development.



*Mainstay - Supportive Housing
Charlestown*

Housing for Persons with Disabilities

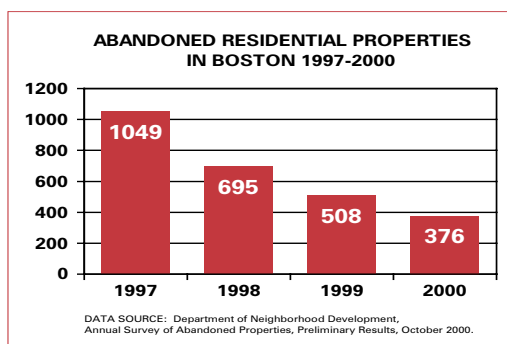
The City of Boston requires that 5% of new units in its multi-family developments be handicapped accessible. This requirement is in addition to other special needs housing that provides specialized services for persons with disabilities or to the City's assisted-living elderly housing developments.

Abandoned Housing

Abandoned housing represents an underutilized resource that can provide significant amounts of new housing while revitalizing neighborhoods. Recognizing the

importance of this resource, the City has several anti-abandonment initiatives underway. These efforts, along with a strong private market, have resulted in a 64% reduction in abandoned houses between 1997 and 2000.

A number of critical initiatives contributed to the success of this initiative. They are:



II. Boston 's Actions to Date



*Residential Development Program,
Dorchester*

- The ***Abandoned Housing Task Force*** surveys abandoned property each year and brings together the appropriate City agencies to devise strategies to reduce abandonment.
- The ***1-4 Family Program***, administered by LISC and the Boston Community Loan Fund, provides funding to a network of CDCs to acquire and rehabilitate privately-owned abandoned buildings. The CDCs rehabilitate the property and sell the finished house to a first-time homebuyer at an affordable price. To date, 70 buildings representing 184 units have been completed.
- The ***Residential Development Program*** takes foreclosed City-owned abandoned buildings and provides grant and loan money, as well as intensive technical assistance, to first-time homebuyers who rehabilitate the property. Rental units in multi-family properties must be rented at affordable prices.
- The ***House of Shame*** campaign publicizes individual privately owned abandoned properties, identifying the owners in the public forum. This action has stimulated neglectful owners to take action.
- The ***Ten Most Wanted Program*** focuses the efforts of Federal, State and local law enforcement agencies to close down houses that harbored illegal drug activities. The vacant buildings are then rehabilitated and sold to responsible owner-occupants as affordable housing.
- Through its ***Receivership Program*** Boston's Inspectional Services Department has forced otherwise reluctant owners to renovate their properties. To date, renovations are underway in over 250 units.

City-Owned Land Sales

City-owned vacant land is another valuable resource that can contribute to the production of new housing. Through several initiatives, the City has turned these long-vacant sites into new housing.

- The ***Boston Home Sites*** program makes individual lots available to homebuyers to build their own home or to homebuilders to build a new home to sell to homebuyers. In most cases, the house lots are sold at below-market prices to increase the affordability of the housing that is built.
- The ***Home Again Program*** packages five to 20 buildable lots together to create a larger development package that can be sold to non-profit and for-profit developers to create new homeownership opportunities. The City sells the properties for a nominal price and provides development subsidies to ensure that the majority of the new homes created are affordable to moderate-income homebuyers.

- The **Large Sites Development** program packages larger parcels of City and BRA-owned land for affordable housing. The City and BRA work with community leaders and neighborhood associations to create a plan for the development of the property that must achieve two goals: 1) create housing that is affordable to people at a range of income levels; 2) create a physical development that significantly contributes to the quality of life in the neighborhood. The City can also provide development grants and loans to ensure that the housing is affordable.

Inclusionary Development Policy

In February of 2000, Mayor Thomas M. Menino issued an Inclusionary Development Executive Order that requires developers of market-rate housing of ten units or more to make 10% of those units available to moderate-income and middle-income households. Additionally, an offsite option was created where developers could create the affordable units offsite in an amount equal to 15% of the units in the proposed development.

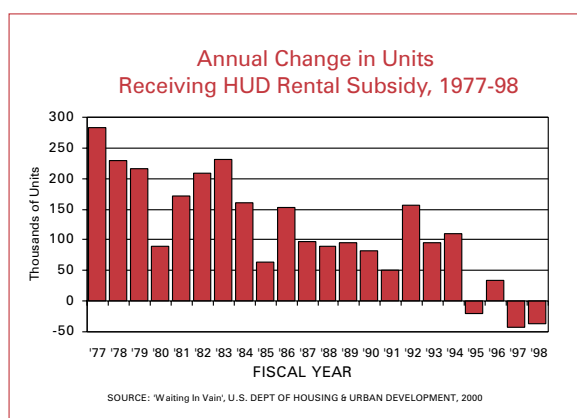


Erie Ellington - Large Site Rental Development, Roxbury

HOUSING PRESERVATION INITIATIVES

One of the reasons that the demand for new affordable housing is so acute is that existing affordable housing is continually disappearing. Housing preservation encompasses a number of areas including State- and Federally-funded housing and privately-owned affordable housing stock. In recent years, the loss of Federally-financed units through owner buyouts, combined with a lack of new resources to provide either rental assistance or new rental housing, has actually resulted in a *decrease* in Federally-assisted rental housing. Combine a Federal policy that reduces the affordable housing supply with the loss of almost 17,000 rent-controlled units, and it is easy to understand why there is such a critical shortage of affordable rental housing. In addition, market forces in some neighborhoods such as South Boston, the South End, and Lower Roxbury, have put such pressure on rents and prices that these neighborhoods are fast moving away from their traditional role as neighborhoods affordable to working families.

The loss of affordable units, either through owner opt-outs of affordability requirements or through market pressure on prices, is one of the most difficult aspects of Boston's current boom. First, given the current funding environment, it is unlikely that we can replace those lost units. Second, we cannot lose affordable units and still maintain Boston's diverse and healthy neighborhoods. The following initiatives represent the City's current efforts to preserve affordable housing:



Preservation of Federally-Financed Housing

Currently there are 21,854 units of Federally-financed affordable rental housing in Boston. Of those, 11,185 are secure as long-term affordable housing through non-profit or resident ownership or long-term agreements with the private owners. This leaves 4,156 units that are still at risk of losing their affordability provisions over the next three years and another 6,513 units after that. To preserve these units wherever possible, the City supports several initiatives:

- ***Tracking and Intervention.*** The City of Boston has contracted with the Community Economic Development Assistance Corporation (CEDAC), a quasi-public technical assistance agency with a track record of experience in preserving affordable housing, to closely monitor developments at risk and to intervene at critical times to preserve the housing.
- The ***Tenants at Risk*** program provides technical assistance to resident groups and non-profit organizations to develop rehabilitation and financing packages that enable these properties to be preserved as long-term affordable housing. Over the last three years this program has enabled 2,573 units in 17 projects to be preserved as affordable housing.
- ***Housing Preservation Agreements.*** The Boston Redevelopment Authority has successfully leveraged its ***121(a) Tax Agreements*** into housing preservation agreements to preserve many additional units that might have been lost.

Preservation of Public Housing

The Boston Housing Authority (BHA) is the largest single provider of affordable housing in the City. Ensuring that none of this critical source of affordable housing is lost to disinvestment has been a priority for several years.

- The ***Capital Improvements Program***, in conjunction with the ***BHA Operations Department's*** management occupancy efforts, has not only prevented new vacancies from developing, but also has been able to reverse the process of disinvestment and reduce the number of remaining vacant units. Since April of 1997, the BHA has reduced its elderly development vacancies by 59% — from 204 vacancies to 84 vacancies as of September 30, 2000. Family unit vacancies have been reduced by 28% from 1,356 to 971 vacancies during the same time period.



*Sandra Henriquez, Administrator/
CEO, Boston Housing Authority*



*Orchard Gardens - HOPE-6
Developments, Roxbury
(Before)*



*Orchard Gardens - HOPE-6 Developments, Roxbury
(After)*

- The **HOPE-6 Program** has enabled the BHA to totally reconstruct two large Federal housing developments. At Mission Main, 535 units of mixed- income housing, including 444 units of public housing, are being built. At Orchard Gardens, a total of 491 units are being built, including 380 public housing units and 45 affordable homes for first-time homebuyers. At present, 422 units are complete or in construction.

Preservation of Privately-Owned Affordable Housing

In addition to the assisted stock, many privately-owned units are at risk of losing affordability or habitability. These units represent an important resource that, wherever possible, the City has intervened to preserve. The City has several ongoing initiatives to address this need:

- The BHA's **Leased Housing Division** has provided Preservation Section 8 tenant-based voucher assistance to over 700 low-income individuals threatened with displacement when deregulated rental units were moved to market rent levels.
- The **Rental Housing Rehab/Preservation Funding Competition** offers financing to for-profit and non-profit developers to preserve affordable rental housing. Non-profit organizations can purchase and rehabilitate distressed rental housing. Cooperative housing can also be financed in this program. For-profit owners of rental housing can get financing for rehabilitation of their properties provided that they agree to keep their rents affordable. The preservation of **Single Room Occupancy (SROs)** or rooming houses, a critical housing resource for the homeless, is also a key part of this program.
- The **Hidden Assets Program** is a partnership between the City of Boston and the Massachusetts Housing Partnership (MHP) in which the City and MHP provide equal amounts of grant funds to enable for- and non-profit developers to buy and rehabilitate smaller (five or more units) deteriorated properties for long-term affordable housing.

II. Boston 's Actions to Date

- A **Condominium Conversion Ordinance** proposed by Mayor Menino and passed by the City Council in 1999, provides tenants with fair notice if their building is to be converted to condominiums. Longer notice periods are required where there are lower-income or elderly tenants in the property. This ordinance also provides tenants with the option to buy their unit.

Preservation of Owner-Occupied Housing

Of the households in Boston with high housing costs, 23% (or 12,500) are homeowners. These homeowners are at risk of living in steadily deteriorating conditions because they do not have the resources to maintain their property. They are also at greater risk of bank foreclosure because their housing payments are such a large part of their income. These at-risk homeowners are often elderly homeowners living on small, fixed incomes. The City of Boston operates several programs to assist these homeowners and help them maintain their housing:

- The **Lead-Safe & Healthy Homes Boston Program** preserves affordable housing by providing homeowners and investor-owners with grants and loans to remove lead paint hazards and other health hazards in their properties. The costs of lead paint removal can be so high that lower-income homeowners cannot afford the up-front capital costs to make their units habitable. This program ensures that these units stay on line.
- The **HomeWorks Program** provides matching grants of up to \$3,000 (\$5,000 in a purchase-rehab project) to make essential home repairs, such as electrical work, fire safety and plumbing. Once essential maintenance items are addressed, then non-code and cosmetic work may be undertaken. Special loans are also available for historic preservation work.
- The **Senior Home Repair Program** funds community-based senior service agencies that provide home repair and maintenance services for low-income elderly homeowners. Where larger repairs are needed, grants and loans of up to \$25,000 along with intensive technical assistance are available.



Poster from Don't Borrow Trouble campaign

- **Don't Borrow Trouble** is a public awareness campaign that educates Boston's homeowners about the serious problem of unscrupulous lenders offering debt consolidation loans and rehabilitation loans to homeowners who cannot really afford them. These loans can often lead to foreclosure a few years later with the homeowner losing everything.

- **Affordable Housing Resales:** the City tracks and monitors deed-restricted homeownership units to ensure that, upon resale, units are sold to income-eligible households to the maximum extent possible under the provisions of the City's Affordable Housing Covenants.

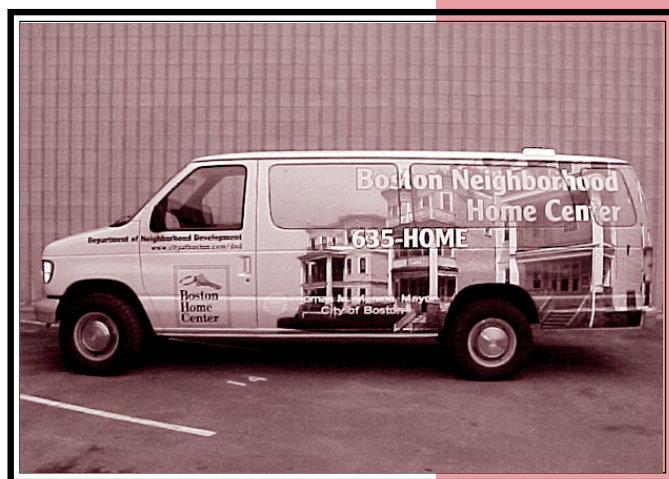
HOUSING ACCESS

The 'bricks and mortar' strategies of housing production and preservation need to be supported with services that better enable Bostonians to gain access to the housing these initiatives produce. It is the bridge between the development agenda and the people we are trying to serve. Whether it is affordable mortgages to help first-time homebuyers purchase the new housing we build, a centralized marketing center for all new affordable homes, or simply aid for tenants navigating the complexities of the assisted housing system, access services make Boston's housing initiatives more consumer-friendly, and in the process, more effective.

Access to Homeownership

Boston's efforts to make homeownership more accessible have earned it national recognition. Key elements of this effort include the following:

- The **Boston Home Center**, located at 26 Court Street simplifies access to City homeownership programs through its one-stop multi-lingual information, registration and referral center. In 1999, the Boston Home Center won the John Gunther Blue Ribbon Best Practices Award from HUD as a regional and national model initiative. The **Neighborhood Home Center Van** brings these services to the neighborhoods through presentations, events and seminars.
- **Homebuyer 101** provides homebuyer and homeowner courses, seminars and counseling in several languages through a citywide network of non-profit groups.
- **The Boston HOME Certificate Initiative** provides downpayment and closing cost grants matched with special mortgage programs to assist low-, moderate- and middle-income homebuyers. One special mortgage program that is combined with City-funded downpayment and closing cost grants is the **Soft Second Program**. This program offers low- and moderate-income buyers a reduced interest rate, an interest subsidy which helps to pay a portion of the mortgage interest payment, flexible underwriting, and does not require private mortgage insurance.
- **The 1st HOME Program** markets City-funded homeownership opportunities and deed restricted resale units to income-eligible first-time buyers.



The Boston Neighborhood Home Center Van

Access to Rental Housing

- The ***Rental Housing Resource Center*** (RHRC) was created by Mayor Menino at the end of rent control to help tenants in decontrolled units work out agreements with their landlords. In 1999, the RHRC was put into the City's Housing Cabinet to better connect these services with Boston's preservation strategies. The RHRC oversees two categories of tenant services – one to help tenants retain the housing they have, and one to help tenants find new housing if they are unable to remain where they are.
- The ***RHRC Mediation Service*** provides a critical intermediate step between an initial tenant-landlord dispute, and Housing Court. These services, offered to the public at no charge, enable the two parties to resolve their differences in a constructive manner before the problem escalates to the point of legal actions.
- The ***RHRC Housing Search and Placement Service*** funds a network of community-based organizations that work with the City to find affordable housing throughout the metropolitan area. Homeless and special needs populations are afforded access to mainstream housing through this program.
- The Boston Housing Authority ***Leased Housing Division*** serves a broad constituency: families, the elderly, veterans and people with disabilities. The Leased Housing Division administers five large programs consisting of nearly 11,000 subsidies: the Federal Section 8 Housing Choice Voucher program; the Section 8 Moderate Rehabilitation program; the Section 8 Project-Based assistance program; the Section 8 Substantial Rehabilitation program; as well as the Massachusetts Rental Voucher Program.
- By far the largest program of these is the ***Federal Section 8 Voucher Program*** - a tenant-based rental subsidy program. The BHA presently administers over 7,000 Section 8 vouchers. The Section 8 program subsidizes the rental expenses of qualified families in the private housing market. This expands their housing opportunities while preserving neighborhoods and fairly protecting the rights of landlords. The Federal Section 8 program helps combat homelessness and prevents families from living in unsafe, substandard housing. The Section 8 program further expands housing options by helping families find quality homes in a variety of different communities. The Section 8 voucher is mobile and can be used anywhere in the United States. The BHA also administers programs that provide self-sufficiency counseling and housing counseling to help families to fulfill their responsibilities as tenants. In addition, there are several specialty Section 8 programs, including several recent awards of Section 8 funding, as well as ongoing initiatives:
- ***Mainstream Housing Vouchers*** for persons with disabilities to enable participants to rent affordable private housing of their choice in a non-segregated environment: 200 vouchers.

- ***Non-Elderly Disabled Vouchers*** for persons with disabilities from the BHA's public housing waiting list to enable participants to rent affordable private housing of their choice in a non-segregated environment: 200 vouchers.
- ***Family Unification Vouchers*** provide housing assistance for families involved with the Department of Social Services. Permanent, stable housing is often the final barrier for reunification of children in foster care: 200 vouchers.
- ***Welfare to Work Vouchers*** subsidies to assist families as they transition from Welfare to Work by providing the opportunity to secure permanent stable housing and to gain and maintain suitable employment: 300 vouchers.
- ***Skinner Vouchers*** as part of the relief in the settlement of the NAACP v HUD lawsuit, the BHA will work with the City to provide housing counseling services to afford minority families the opportunity of living in predominantly white or racially diverse neighborhoods: 400 vouchers.
- ***Fair Share Vouchers*** to assist homeless families on the BHA Section 8 waiting list: 439 vouchers.
- ***Project-Based Section 8 Assistance*** created by conversion of tenant-based assistance. The BHA, in collaboration with the City's Department of Neighborhood Development (DND), recently completed 2 funding rounds which provided capital assistance (HOME, CDBG funds) for new construction or rehabilitation of existing housing to be used in conjunction with Section 8 project-based rental assistance: 200 Vouchers.



Siochain Apartments, East Boston

Access to Housing for the Homeless and Special Needs Populations

Boston's ***Continuum of Care for the Homeless*** was recognized by HUD in 1998 as among the best in the nation, winning a John J. Gunther Blue Ribbon Best Practices Award. Key services and initiatives in this Continuum of Care include:

- ***Emergency Shelter and Transitional Housing:*** the City of Boston spends \$4.5 million of general tax revenues annually to support the City-operated Long Island Shelter and Woods-Mullen Shelter, as well as the Emergency Shelter Commission. In addition, the City depends on an average of \$15 million annually in Federal McKinney funds to support a network of community-based shelters, transitional housing and supportive housing programs.

- ***Emergency Shelter Security Deposit Funds:*** The BHA has made available \$100,000 to respond to one of the critical barriers to housing homeless families – lack of a security deposit. Typically, an owner requests one month's rent as a security deposit which can amount to more than \$1,000. This is often difficult for homeless families to save. Administered jointly by the City of Boston Emergency Shelter Commission and the Boston Housing Authority, this fund pays the security deposit directly to the landlord on behalf of the homeless family. At the end of the tenancy the deposit is returned to the fund for use by other homeless families.
- ***Boston Rental Assistance Fund:*** The City's Department of Neighborhood Development funds a companion rental assistance fund targeted to the needs of homeless individuals, many of whom are working. This \$150,000 flexible fund can be used to address a variety of the barriers that prevent homeless people from getting into permanent housing such as – first and last month's rent, security deposit, moving expenses, even broker's fees. This flexible fund allows people to cover these move-in expenses plus up to one year of limited rental assistance.
- ***Homeless Set-Aside Clearinghouse:*** The City of Boston provided funds through its Emergency Shelter Grant Program to create the Homeless Set-Aside Clearinghouse. Boston has implemented a policy of requiring a 10% set-aside of units for the homeless in any subsidized rental development of ten units or more. The Clearinghouse, operated by a local non-profit, HomeStart, works with a network of service providers to ensure homeless people are able to gain access to these units. This program represents the critical link between housing developers and very low-income and homeless persons and families.
- The ***ANCHOR Program:*** is a database used to track the homeless population and provide better information to the continuum of care planners so that they can provide the appropriate services and housing for homeless households. Operated by the University of Massachusetts, Boston, this program was awarded a HUD Blue Ribbon Best Practices Award in 1997.
- The ***Strategic Homeless Planning Group*** (SHPG) was established in 1998 to further develop Boston's ability to meet the needs of the homeless. The SHPG includes representatives of City government, formerly homeless people, and community stakeholders. This group will address key issues such as state and regional policies that effect the homeless as well as obstacles to production and provision of housing for the homeless. This group is expected to issue its report and recommendations near the end of 2000.

Boston also offers this program for a special needs population:

- The ***Housing Assistance for Persons with AIDS*** program funds community-based organizations to provide rental assistance and support services to persons with AIDS throughout the metropolitan area.

Fair Housing Access and Metropolitan Choice

The ***Boston Fair Housing Commission*** (BFHC) provides a variety of critical services to ensure Boston's fair housing laws are vigorously enforced, including the following.

- ***Affirmative Fair Housing Marketing*** promotes equal access to government-assisted housing by establishing standards for outreach, advertising and tenant/buyer selection. The BFHC oversees the development of affirmative marketing plans to ensure that households, who would not normally apply for housing because of its location, have an opportunity to do so.
- The ***Investigation & Enforcement Program*** enforces fair housing laws by investigating discrimination complaints and assisting parties in resolving those complaints through negotiation.
- The ***MetroList*** program provides access to housing in over 100 communities in the metropolitan area. Services include housing counseling, referral services, listings of government and private housing, and the MetroList Resource Room.
- The ***Regional Opportunity Counseling (ROC) Program*** is a regional housing mobility initiative administered by a partnership of the BHA, MetroList/Boston Fair Housing Commission, and the Metropolitan Boston Housing Partnership, in collaboration with six partner Public Housing Authorities (PHA's). The mission of the program is to expand housing choices for low-income families with Section 8 subsidies by providing them with comprehensive housing counseling services and by generating rental listings for housing located in low-poverty areas. The ROC program provides Section 8 families with housing search assistance and ongoing support in the form of renter education workshops, individual housing counseling and referrals to self-sufficiency resources.
- The ***Family Self-Sufficiency (FSS) Program*** is a voluntary program for Section 8 participants. Operated by the BHA, FSS programs provide families with an opportunity to receive supportive services as they work towards economic self-sufficiency. As the family's earned income increases, and as the family progresses with their five-year Individual Training and Service Plan, the BHA sets aside funds in an escrow account for the family, available once they have reached their goals and are no longer dependent on public assistance.

While this wide array of housing initiatives represent a significant contribution by the City to meet it's housing needs, the Menino Administration recognizes that it has an obligation to do even more.



III. A STRATEGY TO DO MORE

Boston has worked hard to address the housing crisis, but we must do more. Targeted tools and resources, utilized in the context of a strategic plan, can help us produce and preserve more housing. This chapter discusses the tools and tactics that Boston will use over the next three years to increase and preserve our housing supply. Using our City housing agencies and a range of regulatory, financial and property resources, we will bring our focus to bear on making Boston a more affordable and livable city for all of our residents.

Our goals are straightforward and ambitious: *produce and preserve more housing for a range of income levels*. Therefore, Boston's housing strategy for FY2001 to FY2003 will continue to focus on two simple, but essential initiatives:

- **PRODUCTION:** We will support our partners in production with more efficient and effective land assembly, permitting and siting policies to increase our housing supply. Resources will be targeted to large sites to spur production.
- **PRESERVATION:** We will preserve assisted and private units with resources, regulatory interventions and preservation alliances to get properties out of the speculative market.

Achieving the ambitious goals that these two initiatives encompass cannot be done by the City of Boston alone. Success will require significant commitments of resources from many partners. Those **Partners & Resources** are defined at the end of this chapter. Those resources range from money to real estate, technical expertise or regulatory authority. Only by engaging these partners and resources to work toward a common set of goals can the City fulfill the promise that this Housing Strategy offers.

The City will also establish clear **Performance Goals** that will help the City and the public to evaluate the success of this strategy over the course of three years. In the final chapter, the City will set out a plan of action and accountability that establishes an initial set of goals and creates a system where those goals are reevaluated. In this manner, this Housing Strategy will constantly be improved and updated to keep pace with the current conditions and opportunities.

HOUSING PRODUCTION

GOAL: To increase the supply of housing by 7,500 new units over the next three years

New strategies, resources and partners are needed to achieve Boston's production goal. Existing programs will be strengthened with new thinking and new tools to increase our ability to produce and preserve more housing.

This chapter proposes strategies that will help to increase production on all fronts. These strategies include easier land assembly, process and siting reform, more financing tools, and an increased emphasis on reclaiming vacant public and private housing.

This housing production goal is broken into three main areas:

1. *City-assisted affordable housing production of 2,100 units*
2. *Public housing vacant units: reclamation of 1,100 units*
3. *Private market production of 4,300 units*

CITY-ASSISTED AFFORDABLE HOUSING DEVELOPMENT: 2,100 New Units

The City will combine its real estate resources with Federal, State and local funding sources to create 2,100 new units of affordable housing over the next three years. A priority in this effort will be to ensure that the units created will serve people across the income spectrum. The City has an overall target of ensuring that at least 40% of the 2,100 newly-created affordable units will also be affordable to low-income and homeless people (earning less than 50% of area median income, see Appendix 2), and another 40% of the units are affordable to moderate-income households (earning under 80% of area median income, see Appendix 2).



Rollins Square - South End

This targeted effort to reach households at the lowest income levels exceeds funding requirements. Between the units created through City-assisted new development and the 1,100 BHA vacant units, **almost 2,000 new low-income housing units will be created over the next three years.** The City's goal is to make 900 of these units available to homeless families and individuals.

III. A Strategy to Do More

To achieve these affordability levels, the City will use a number of strategies. The **Section 8 Project-based Set-aside Initiative** will be a key mechanism by which the City can provide housing assistance for these very low-income populations. In this initiative, the BHA allocates a portion of its Section 8 funding for project-based rental assistance in City-funded affordable housing developments, including 100 units per year set aside specifically to support the production of housing for homeless households.

In addition, a new initiative by the BHA will be explored that could make non-utilized public housing operating subsidy authority available to increase affordability of assisted units. With these funds, HOME and tax credit projects can serve families at or below 30% of median.

The **Section 8 Homeownership Program** is a new HUD initiative that enables eligible Section 8 voucher holders to use their rental subsidy assistance payments to support a mortgage payment. This important initiative will also benefit from the City's existing homebuyer assistance services such as the Home Center and the the Boston Home Certificate Program.

The City already has plans underway for almost 1,600 new affordable units. Recent projects to enter the City's pipeline include:

- **Uphams Corner Market, Dorchester:** This is an adaptive re-use of a long abandoned supermarket into 45 units of much needed rental housing in the newly revitalized Uphams Corner neighborhood of Dorchester. When complete, the Market will house 30 families and 15 formerly homeless elders. The New Atlantic Development Corporation is developing the project.
- **St. Botolph Street Assisted Living:** This project will consist of 82 newly-constructed assisted living units for the elderly, 54 of which will be affordable. This is the first affordable, assisted living facility to be developed in Boston. Great care has been taken to design a building that reflects and complements its historic surroundings in the Fenway/South End neighborhood. The developer is the Fenway Community Development Corporation.



St Botolph Assisted Living - Fenway/South End

- **Rollins Square, South End:** The Archdiocese of Boston is the developer of this project, which will be constructed on BRA property adjacent to the Holy Cross Cathedral. It will consist of 183 units, 120 of which will be affordable. Located in one of the fastest appreciating areas of the city, the 147 condo and 37 co-op unit mixed-income development's design will reflect its classic urban surroundings.

- **Stanwood/Devon:** This project will complement and extend the City's revitalization efforts in the Grove Hall neighborhood. Adjacent to the nearly-completed Grove Hall Mall, this new homeownership project will consist of single- and two-family homes. All construction will be on City-owned vacant land. After a supportive and committed community process, Community Developers of Grove Hall was selected as the developer.
- **Rockvale Circle:** When rehabilitation is complete, the five buildings that comprise Rockvale Circle will be turned into 15 affordable co-op units in Jamaica Plain. These buildings came to the City through tax foreclosure. The Jamaica Plain Neighborhood Development Corporation has been named as the developer.

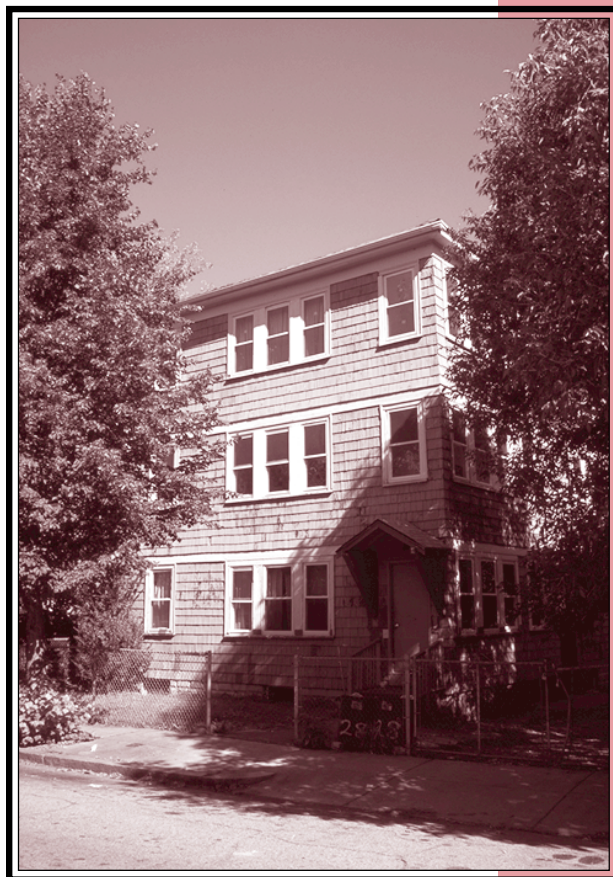
PUBLIC HOUSING:
1,100 Vacant Units Come Back On Line

Utilizing both preservation and production tools, Boston will focus intensive efforts on a key piece of city real estate: public housing. Boston's existing public housing resource is needed now more than ever. Using this resource to its full potential must be a central priority in the City's housing strategy.

Our strategy will ***rehabilitate and re-occupy all 1,100 remaining vacant BHA units.*** Through a creative financing mechanism that uses City funds to leverage future Federal funding, the BHA will be able to raise the financial resources necessary to reclaim all 1,100 vacant public housing units over the next three years. These critically needed units, some of which have been vacant for over ten years, will be affordable to very low-income households.

PRIVATE MARKET HOUSING DEVELOPMENT:
4,300 New Units

The private sector still has the vast majority of the property and resources that can be used to create new housing. These resources must be rallied to create new market-rate housing as quickly as possible. ***The Mayor's 4,300-Unit Production Challenge*** is a challenge to the development and academic community in Boston to produce 4,300 units of conventional or student housing over the next three years.



Rockvale Circle, Jamaica Plain

STRATEGIES

In order to produce 7,500 units, the City will need not only new financial resources, but also a new way of doing business. The following strategies support and encourage for-profit developers and non-profit developers to build the housing necessary to meet our goals.

LAND FOR HOUSING

Scarcity of land for building housing has been an historical obstacle to production. We must make maximum use of all land resources, particularly those that can create additional affordability. Unused land resources of *all* City agencies and other governmental entities will be evaluated for combined housing development potential. City-owned land can contribute to affordability by keeping acquisition costs low.

- ***Inventory of Publicly-Held Land:*** The City has already reviewed all of its own land holdings and identified those that have housing development potential. This effort will be expanded to include an inventory of publicly-held properties, including air-rights in some cases, held by other governmental agencies such as the MBTA, HUD, and the Commonwealth of Massachusetts. From this inventory, the City will target the most promising sites that can be combined with City-owned property to create larger development opportunities.
- ***Clarify Priority for Housing:*** For parcels taken by the City of Boston through foreclosure, the City will establish a clear set of guidelines that include affordable housing on all sites that are physically suitable and zoned for development. Mixed-income developments will be encouraged. Included in that priority policy will be a requirement that all net revenues received by the City from the sale of these properties for market-rate housing must be invested by the City to create or preserve affordable housing at another site.



*City-owned land slated for housing development,
Roxbury*

- ***1000 Parcels of Land Campaign:*** The City will make 1,000 parcels of City-owned land (most of which are small parcels) available for housing development. These parcels will be made available in several ways. Where larger sites can be assembled, they will be targeted primarily for affordable and mixed-income development. Smaller, more scattered sites will be made available in packages for affordable housing development through the *Home Again* program. Individual house lots will be available at below-market prices to enable residents to build their first home. Developers and potential homebuilders can find these properties on a new ***Land For Housing Website.***

- **Major Sites with Housing Development Potential:** There are several significant sites in the City that have great potential for creating large numbers of units of housing. Many of these sites have equally large constraints that have made them difficult to develop. The housing potential that these sites represent require that the City focus its attention on resolving the development obstacles and getting as many of them as possible into a development program. These sites include:

- *Mattapan Chronic Disease Hospital*
- *Boston East Site, East Boston*
- *South Boston Buffer Zone Housing*
- *Parcel C, Chinatown*
- *Boston State Hospital, Mattapan*
- *Barnes School, East Boston*
- *Parcels 9 & 10, Lower Roxbury*
- *Martin Luther King Blvd. & Washington St., Roxbury*
- *Parcel 3, Roxbury (See Appendix 3.)*



*Mattapan Chronic Disease Hospital
Mattapan*

- **Privately- and Institutionally-Held Sites:** Boston will work to identify significant development sites owned privately or by institutions such as churches or universities. Institutions that have significant land holdings will be encouraged to make land available for affordable housing creation. City agencies will be charged with identifying these sites and securing commitments from landowners to make their property available for housing.

THE PROCESS: PLANNING, PERMITTING AND SITING REFORM

The City will support developers and institutions with better planning, permitting and siting processes allowing housing production to occur faster and more efficiently. Incentive zoning and Main Street initiatives will open the opportunity for more units.

- **Expanded Planning for Development:** The BRA will expand its planning capacity to better facilitate the housing development process. Rather than reacting to private development proposals as they arise, the BRA will be better able to lead the development planning process. In this way, neighborhood residents can have a meaningful role much earlier and developers will have a clearer idea of what kind of development the City will support.
- **Expedited Permitting:** The City will use technology, legislative initiatives, and educational materials to further expedite the permitting process. These initiatives will build upon last year's successful efforts in reducing the time it takes to issue a permit from six weeks to an average of 11 days. Even where zoning relief is required, recent improvements to the Zoning Board of Appeal process have also reduced the time it takes for zoning relief from an average of six months to just three months.

III. A Strategy to Do More

- ***Expedited Community Review Process:*** The City will create a new dynamic for community review and participation that will address legitimate community concerns while responding to developers' need for timelines and predictability. With neighborhood and developer input, the City will complete work on a new, time-limited process for community input on housing development.
- ***Affordable and Supportive Housing Siting Policy:*** One of the more difficult aspects of developing new affordable housing is finding support in the community. The City, with input from members of the community, will finalize a siting policy for affordable housing that will include policies and procedures for siting housing, including special needs housing. A larger role for the advocacy community will entail early outreach to neighborhood residents to jointly plan for development.
- ***Innovative Zoning Management:*** The BRA will provide greater flexibility with zoning incentives that will support the development of new housing. These innovative zoning management tools may include:
 - Density incentives to promote housing development in areas where higher density housing is appropriate;
 - Transit-oriented housing development incentives to encourage development of housing around transit nodes;
 - Zoning flexibility for adaptive reuse projects to encourage redevelopment of underutilized non-residential buildings, and to encourage more artist housing;
 - Downtown housing zoning – to encourage development of higher density housing in traditionally non-residential areas.
- ***Main Street Housing:*** Boston's neighborhood commercial districts present a special opportunity to create new housing, such as artist housing, in the vacant spaces above Main Street businesses. This initiative will select several pilot areas where the City will make development financing available and provide greater zoning flexibility to encourage development.



*Allston Village Main Streets,
Commercial/residential mixed-use building - Allston*

ABANDONED AND VACANT HOUSING INITIATIVES

III. A Strategy to Do More

The City will intensify work on ongoing initiatives to bring units in vacant buildings back on line as affordable housing. These initiatives include:

- **Abandoned Buildings Campaign:** The City desperately needs the units now unoccupied in abandoned buildings. We will work to reduce residential abandonment by another 50% over the next three years (from 376 to 188 houses).
- **Receiverships:** This City-wide program brings abandoned housing units back on line while at the same time ridding our neighborhoods of the blight of abandoned buildings through strong and consistent legal enforcement actions. Recognizing that abandoned houses are a valuable source of housing units, the Receivership Program will be developed by Boston's Inspectional Services Department at the direction of Mayor Thomas M. Menino. Since 1999, the City of Boston has initiated over 60 enforcement actions, involving the renovation of over 80 abandoned houses containing more than 250 units. The City will improve on this program by working to expand the pool of potential receivers through the involvement of CDCs and other non-profit agencies. We will also propose legislative amendments to the receivership statute to explicitly strengthen applicability to abandoned houses and will work with local lending institutions to develop a fund for renovations undertaken through the Receivership Program.
- **Vacant Apartments Project:** Despite strong market forces, there continue to be vacant apartments in owner-occupied and investor-owned buildings throughout Boston. These apartments may be vacant for a number of reasons, including lead paint problems and extensive repair needs. The Vacant Apartments Program will establish a revolving loan fund to provide financing so that property owners can make the necessary repairs to bring their apartments back on line at affordable rents. Technical assistance with cost estimating, permitting, contractor selection, tenant selection and property management will also be provided.
- **Senior-Owned Vacant Apartments:** This initiative was tested on a demonstration basis in 1999, and will be made broadly available in 2000 and 2001. Throughout Boston there are apartments in buildings owned by seniors that are left vacant for a wide variety of reasons. These seniors may have concerns about tenant problems and security, or face diminishing physical ability to maintain the property. Often there are extensive repair needs but the owner has too limited an income to support any new debt. To address these needs, the City will provide repair financing that includes both below-market rate loans and deferred loans. The City will connect the senior with a reputable, non-profit community-based property manager to help the senior with all aspects of rental housing management. The lower monthly payments enable the senior to rent out the apartment at affordable prices.



Mayor Menino and volunteers paint a senior's home in Dorchester

FINANCING AND TAX INCENTIVES FOR MIXED-INCOME AND MIDDLE-INCOME HOUSING

- ***Financing:*** The City will work with private developers to produce mixed-income housing and housing that is affordable to middle-income households or families by developing new lower-interest rate financing mechanisms. The City will convene a panel of financial experts to review municipal finance tools to facilitate this.
- ***Tax Incentives:*** The City's financial officials and the BRA will explore long-term tax relief for rental housing developments in exchange for more affordability for middle-income families.

HOUSING PRESERVATION

GOAL: To preserve 10,000 units

Boston's greatest source of affordable housing is its existing housing stock. As much as 80% of Boston's housing stock is privately owned — from the owner-occupied three-decker to the large multi-family apartment block. Preserving as much of this stock as possible for affordable housing is a critical priority.

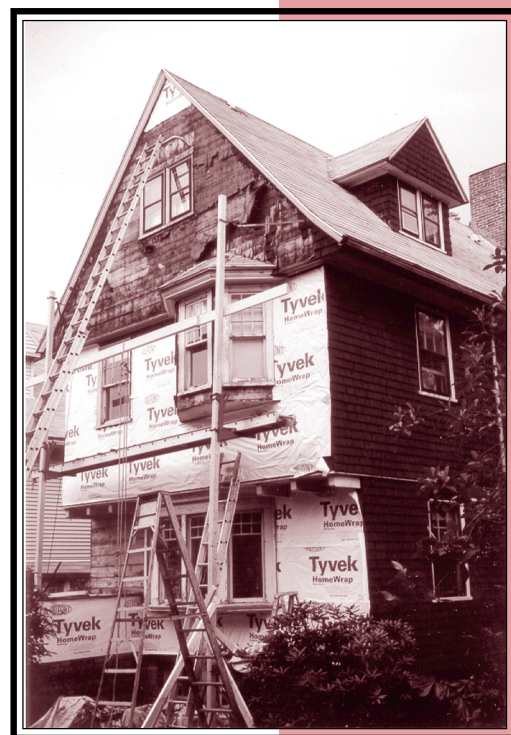
STRATEGIES

To address this need, the City will focus on three strategies to preserve at-risk units as stable, affordable housing:

- Stabilizing affordable rental property, through rehabilitation, long-term rent agreements or resident/non-profit ownership;
- Helping homeowners maintain their homes and preserve the apartments in their buildings;
- Helping renters become homeowners through employer-assisted housing and other City homeownership programs.

In addition to the current array of initiatives that the City already has underway to address these needs, the City will undertake several new initiatives and expand existing initiatives:

- ***Housing Preservation Alliances:*** Where tenants are threatened with displacement when their building is sold, the City will work with the tenants and local non-profits to purchase the property, ensuring long-term affordability. In addition, the City will work with developers committed to rent reasonableness, to acquire property in transitional neighborhoods before the prices are out of reach. The City will call upon its public and private partners to develop financing tools that will allow developers and tenant groups to acquire small multi-family properties and take them out of the speculative market. This demonstration program has an initial goal of taking 1,000 units out of the speculative market and putting them into the hands of owners committed to maintaining affordable rents over the long term.
- ***SHARP Housing Restructuring:*** There are 2,712 housing units in Boston that were financed by the State in the latter 1980s under the State Housing Assistance for Rental Production program (SHARP). Of these, 1,242 are affordable to low- and moderate-income families. These units are at risk of possible conversion to market-rate housing. The City is committed to protecting its considerable investment in these properties and getting commitments from the State and MHFA that none of these units will be lost.



A home rehabilitated through the HomeWorks program, Dorchester

III. A Strategy to Do More

- ***At-Risk Federally-Financed Housing:*** By the end of FY2003, 4,137 units of Federally-financed housing will be at risk of losing their affordability because of expiring rent restrictions or Section 8 contracts. The City will work with property owners, resident groups and community groups to save at least 75% of these at-risk units. The City will need the help of the State and Federal government to preserve this Federal stock of housing.
- ***Homeowners:*** The City will provide financial assistance to 3,000 lower-income homeowners, many of whom are elderly. This assistance will help homeowners complete both general repairs and address life and safety issues. Homeowners of multifamily houses that are providing affordable rental apartments will also be eligible for financial assistance.
- ***Employers Homeownership Challenge:*** In this housing crisis, helping employees secure housing is good business. The City will issue a challenge to Boston's employers to participate in a new Demonstration Program that will utilize City funds to leverage contributions from private employers starting in FY2002. Target: 2,000 Boston renters becoming first-time homeowners through City and private employer incentive programs. As part of this effort, the City will also promote its homeownership programs to its own employees

HOUSING PRESERVATION SUMMARY FY2001-FY2003

PRESERVATION INITIATIVE	TARGET GOAL	PROPERTY TYPES	BENEFICIARIES
HOUSING PRESERVATION ALLIANCES	1,000	Smaller multi-family rental properties	Renters, primarily low and moderate income, faced with potential displacement.
AT-RISK FEDERALLY FINANCED HOUSING	3,100	Generally large multi-family buildings	Low and moderate income tenants
SHARP HOUSING RESTRUCTURING	1,242	Generally large multi-family buildings	Primarily low and moderate income tenants
PRESERVATION OF OWNER-OCCUPIED HOUSING	3,000	1-4 family homes in need of repair	Primarily elderly and low and moderate income homeowners
1st TIME HOME PURCHASE	2,000	1-3 family homes, condominiums	Renters who will become homeowners



Walnut Community Housing, Roxbury

PARTNERS & RESOURCES

Boston has made maximum use of every State, Federal and private housing dollar available. In fact, Boston leverages seven private (or other public dollars) to one Boston dollar.

Despite sustained cutbacks in funding, the Federal Government continues to be the largest single source of funding for housing. Boston utilizes entitlement funds through Community Development Block Grants (CDBG) and HOME Investment Partnerships, Emergency Shelter Grants and Housing Opportunities for People With Aids (HOPWA), as well as competitive funding such as HUD Section 202 Supportive Housing for the Elderly and McKinney Assistance. The Federal HOPE 6 program has provided over \$80 million dollars to revitalize deteriorated public housing.

Boston competes aggressively for State funds including Low-Income Housing Tax Credits, HOME, Housing Innovation Funds and Housing Stabilization funding. To supplement and leverage this funding, Boston contributes additional funding from its own resources to create affordable housing.

Recent City commitments by Mayor Menino to raise funds for housing through the sale of City assets have made a significant contribution to housing production. This **\$30 million** of new funding provides the financial underpinning of Boston's Housing Strategy FY 2001-2003. The pipeline of housing projects is already responding to these new initiatives.

In total, Boston's three-year production, preservation and public housing goals are expected to represent \$2 billion in housing investment. That kind of investment will require significant commitments from many partners.

The City of Boston is taking the lead. The City will:

- Contribute **\$30 million** in new City funds from the sale of City assets and from the surplus property fund to increase affordable housing.
- Create a ***new dedicated revenue source for housing*** from the sale of all foreclosed properties for the next three years.
- Make 1,000 of its parcels of City-owned land, valued at \$15.5 million, for housing development.
- Support production and preservation efforts by using \$131 million in locally managed funds, including CDBG, HOME, Linkage, Lead Paint Abatement Funding, Public Housing Capital Funding and revenues from surplus property sales to leverage another \$760 million in public and private development financing.
- Convene a ***Blue Ribbon Panel on Housing Finance*** with local and national experts to develop and evaluate new options to increase or extend our housing resources. These options may include:
 - Real estate tax incentives available to the City;
 - Bonding and financing tools;
 - Potential resources from the Community Preservation Act;
 - Inclusionary Development Policy revenues.
- Call upon the Rental Housing Association and all owners of rental property in Boston to take a pledge to end the abusive rent increases that are increasingly commonplace in such a tight market.
- Lobby for and utilize increased Linkage fees for affordable housing.
- Coordinate land acquisition and aggregation from other private and public sources.
- Redesign its housing permitting process and community review procedures to substantially streamline the housing development process.
- Advocate for a regional commitment to housing production and a fair share of resources for Boston.

To achieve the levels of production we propose, the State and Federal government will have to increase their contribution. The leverage ratios that allowed Boston to excel at production and preservation can only be sustained if State and Federal funding increase in proportion to Boston's contribution.



Pondview Apartments, Jamaica Plain

The Commonwealth of Massachusetts will need to do more:

The Department of Housing and Community Development (DHCD) must increase Boston's share of State-controlled funding such as Low Income Housing Tax Credits (LIHTC), State HOME funds and DHCD grants which are needed to make the City's affordable housing projects financially feasible. In addition, the Commonwealth must:

- Implement the State Tax Credit Program so that these resources can be put to work.
- Ensure that the State bond cap allocated to DHCD is adequate to allow bond authorized funds for housing to be spent in a timely way.
- Make critical parcels of land available. The State controls several critical development sites in the City, including Boston State Hospital, and a portion of Parcels 9 & 10 in Roxbury. These must be made available for housing promptly.
- MHFA will be called upon to craft a resolution to the SHARP development problem that does not lose a single affordable or below-market unit.
- The State Legislature must help on several fronts, including:
 - Passing a new bond bill to provide funds for new housing and to preserve existing State public housing;
 - Accelerating the funding schedule and increasing the total budget for the Housing Trust Fund from \$20 million annually to at least \$50 million annually, and;
 - Helping the City get its Linkage bill passed to create new local resources to support Boston's housing agenda.
- Coordinate with Boston to provide more resources for homeless and special needs housing and improve discharge planning from State institutions.
- Require a percentage of units created statewide with LIHTC, HOME and Housing Stabilization Funds be made available to homeless and special needs populations

The Federal Government must renew its commitment to affordable housing:

The Federal Government has significant responsibilities in providing the nation's housing and continues to be the City's most significant partner in housing. Specific action that the City of Boston will call on the Federal Government to undertake:

- Increase the amount of LIHTC that are available. The per capita figure of \$1.25 has not changed since 1986 and is sorely inadequate to address today's needs. Increasing the per capita figure to \$1.75 and indexing it to inflation as is currently proposed would result in an additional \$3 million annually to Massachusetts.

III. A Strategy to Do More

- Rework the Section 8 voucher program to reflect current market conditions. Boston is the fourth most expensive housing market in the nation. 60% of the households who get vouchers from the BHA must eventually return them because they cannot find housing at the price level required by HUD. Those who do find housing are crowded into a few low-income neighborhoods, and denied access to most of the metropolitan area.
- Create a new National Housing Production Program in cooperation with America's Mayors. Cities and towns understand best what their housing needs are and need direct assistance from Washington to meet those needs. Senator John Kerry's proposal for a Housing Trust Fund is a giant step in the right direction toward achieving this goal.
- Provide Federal funds for remediation of environmentally contaminated urban sites so that they can be used for affordable housing.
- Establish as a Federal priority that no more Federally-financed affordable housing will be lost to owner opt-outs or expiring Section 8 contracts. A comprehensive Federal strategy to address this issue must be created and funded so that HUD reverses the trend of negative rental housing production of the last few years.

Private Lenders & Institutions must help us sustain Boston's economic vitality:

These organizations play a critical role in the development of both affordable and market-rate housing. To achieve the City's affordable housing goals the City needs:

- *Boston Affordable Housing Finance Pool* with a goal of \$50-\$100 million in below-market loans and grants to support the affordable housing production agenda. A low-interest loan and grant pool will allow the City to produce additional affordable housing by increasing the private contribution to affordable housing developments. This will allow the City to leverage its subsidy resources further. It is expected that some of these loans and grants from this pool will be used to fund the production of units for rent low and homeless households.
- Meet the City's challenge to provide assistance to employees to become homeowners through employer-assisted housing initiatives.

Private Housing Developers are our Partners in Production:

- Developers will be asked to meet Mayor Menino's housing production challenge and produce 4,300 new market-rate and middle-income units over the next three years.
- Developers must work with communities to create housing that is sensitively designed to be compatible with neighborhood standards and to mitigate the impacts of development.

Neighborhood Residents & Organizations must put out the welcome mat for new housing:

- Community leaders must commit to work with the City and developers to facilitate the development of well-designed affordable housing in their communities.

Communities in the Metro Area must also increase their housing stock:

- Cities and towns in the metropolitan area must substantially increase the production of new housing units. To meet the area's housing demands, the metro area needs to create 15,000 units of new housing annually.
- Communities not meeting the minimum 10% State goal for government-assisted affordable housing must be encouraged to make special efforts to close this gap.

Colleges & Universities must invest social and financial capital in their host communities to:

- Significantly increase production of new student housing;
- Undertake a cost-containment research effort to identify practical mechanisms to reduce housing production costs while maintaining quality in design;
- Provide technical expertise in municipal and housing finance to the City's Blue Ribbon Panel on Housing Finance by undertaking a nationwide review of creative and successful housing finance strategies. This review will identify practical new resource opportunities and ways to make existing resources go further;
- Invest intellectual efforts and student energy in volunteer activities to promote a healthy community.

The City of Boston recognizes it is asking a lot of itself and its partners. Yet, the needs of the homeless on our streets, of working families struggling with high rents, and employers trying to attract and hold on to skilled workers, demand that we ask for nothing less.



IV. A PLAN FOR ACTION AND ACCOUNTABILITY

Boston's Housing Strategy calls upon the City and its partners to accomplish many significant objectives over the next three years. To achieve these objectives, specific timelines and performance goals must be established that can clearly measure progress. As part of this report, the City has put together start-up goals and timelines. It is expected that the Housing Advisory Panel will work with the Mayor to establish a three-year plan and to monitor its progress.

It can be guaranteed that over a three-year period many circumstances will change, and new opportunities and issues will arise that require this Strategy to be revised, updated and expanded. To prevent this document from becoming obsolete, it incorporates an ongoing system to establish and revise goals and monitor performance against those goals.

MAYOR'S HOUSING ADVISORY PANEL

Boston's Housing Strategy was created with significant effort on the part of the many housing experts that volunteered to serve on the Mayor's Housing Advisory Panel. Their efforts have created a blueprint for action that will guide the City for several years. They will continue to serve by becoming a standing body that will advise the City on an ongoing basis. Every six months, the Housing Advisory Panel will meet to accomplish the following objectives:

- Assist the City in developing or reassessing the performance objectives for each element of the strategy. These performance objectives will define specific outcome goals with measurable milestones.
- Review and assess the City's performance in the last six months toward achieving these performance objectives. To support this effort, the City will prepare a ***Semi-Annual Progress Report*** for use by the members of the Housing Advisory Panel.
- Advise the Mayor as to how the Strategy should be amended to keep it up-to-date and reflective of current conditions, issues and opportunities. Based on this input, the City will issue periodic ***Leading The Way: Update Reports*** that provide the public with information about how the City is revisiting its Housing Strategy to keep pace with the times.



Mayor's Advisory Panel (Left to Right):
Back Row: Alfred Wojciechowski, William Stetson,
Middle Row: Richard Taylor, Sr. Margaret Leonard,
 Robert Kuehn, Joseph Flatley, Nicolas Retsinas
Front Row: Watchen Barker, Eleanor White,
 Jeanne Pinado, Aaron Gornstein, Charleen Regan
Not Pictured: Joseph E. Corcoran, Marc Draisen

This system of continuing goal-setting, performance monitoring, and reassessment is what will separate this Housing Strategy from so many multi-year plans that often become increasingly irrelevant as circumstances change. This Strategy is a living document that will remain relevant because it creates its own system to evaluate and update itself.

START-UP ACTION PLAN

The City has established a set of start-up goals to begin action on all of the key initiatives in this Strategy. At its first six-month review meeting, the Mayor's Housing Advisory Panel will review the City's progress and will make recommendations regarding next steps.

I. HOUSING PRODUCTION

OVERALL GOAL: 7,500 NET NEW UNITS IN CONSTRUCTION (PERMITTED)
BETWEEN 7/1/2000 AND 6/30/2003

CITY-ASSISTED AFFORDABLE HOUSING:

- Overall Goal 2,100 net new units permitted between 7/1/2000 and 6/30/2003.
- Intermediate Goal All 2,100 units identified by 6/30/2001.

RENOVATE AND REOCCUPY VACANT PUBLIC HOUSING:

- Overall Goal 1,100 vacant units completed and reoccupied or in construction between 7/1/2000 and 6/30/2003.
- Intermediate Goals 428 vacant units completed by 6/30/2001.
346 additional vacant units started between 7/1/2001 and 6/30/2002.

PRIVATE MARKET HOUSING PRODUCTION:

- Overall Goal 4,300 net new units permitted between 7/1/2000 and 6/30/2003.
- Intermediate Goals Database of pending medium-sized and large housing projects in design. Designate staff person to coordinate housing production efforts.

LAND FOR HOUSING:

1,000 Parcels of Land Campaign

- Overall Goal Make 1,000 parcels of City-owned residential land available for housing development (7/1/2000 and 6/30/2003).
- Intermediate Goals Complete site analysis of City-owned land inventory.
Compiled data on Land For Housing Website (12/31/2000).

Affordable Housing Policy on City-owned Land

- Overall Goal Ensure that all the City’s foreclosed residential land resources are used to advance the goals of affordable and mixed income housing. (7/1/2000-6/30/2003).
- Intermediate Goals Develop and issue draft Affordable Housing Policy statement on foreclosed land sales (12/31/2000).

Establish a financial mechanism to collect and allocate all land sales revenues from FY2001 (3/31/2001).

Affordable Housing on Other Publicly-held Land

- Overall Goal To identify significant parcels of developable land held by other public entities and encourage their development for affordable housing.
- Intermediate Goals Complete inventory and site evaluations of all publicly-held land (6/30/2001).
- Identify the sites with greatest potential and commence approaching these property owners (6/30/2001).

Affordable Housing on Privately- & Institutionally-held Sites

- Overall Goal Identify significant parcels of developable land held by institutions or similar private entities and encourage their development for affordable housing.
- Intermediate Goals Complete inventory and site assessments of all institutionally-held land (6/30/2001).
- Identify the sites with greatest potential and commence approaching these property owners (6/30/2001).

Major Sites With Housing Development Potential

- Overall Goal To create large numbers of units of housing on large undeveloped sites.
- Intermediate Goals **Mattapan/Foley Site:** 116 units of affordable rental housing to start construction in late Spring 2001; planning for additional housing units will continue through 6/2003.
- Border St. East Boston:** Complete environmental testing and begin community process by 4/1/2001; construction by 6/30/2003.
- South Boston Enhancement Zone:** Residential buffer to separate commercial waterfront from residential neighborhood; re-zoning expected in Winter 2001.
- Parcel C (Chinatown):** BRA & DND are working with the developers to resolve all remaining outstanding issues; construction to begin in Fall 2001.
- Boston State Hospital Lands:** City/BRA are now working with the State to determine the appropriate party to assist in the redevelopment of the site; anticipate starting master planning effort with the community early in 2001.
- Barnes School (E. Boston):** Planning process to commence by 10/31/2000; issue RFP by 12/31/2000; apply for Federal funding by 6/30/2001.
- Parcels 9 & 10:** BRA is currently working with State to resolve ownership issues; anticipate agreement by Spring of 2001; Roxbury Master Plan will help guide development of this parcel, to be completed in February 2001.
- Martin Luther King & Washington Street:** RFP to be issued by 12/31/2000.
- Parcel 3:** BRA is currently working with local elected officials and the community to determine an appropriate use for the parcel; anticipate RFP in Summer of 2001.

PLANNING & PERMITTING SYSTEMS:

Expanded Planning for Development

- | | |
|-------------------|---|
| Overall Goal | To make the private housing development process more efficient and predictable by working with community residents to establish development goals <i>before</i> specific development projects are proposed. |
| Intermediate Goal | BRA is currently expanding its planning staff, and expects to have a new Chief Planner by December 2000. |

Expedited Community Review Process

- | | |
|--------------------|---|
| Overall Goal | To create a more efficient, predictable and timely system by which community residents and developers can come to a mutually agreeable development plan for housing sites. |
| Intermediate Goals | <p>Finalize and publish Community Notification Policy for foreclosed real estate disposition by 10/31/00.</p> <p>Develop a working proposal for the expedited community review process for review by the Advisory Panel at their first semi-annual meeting in January 2001.</p> |

Expedited Housing Permitting

- | | |
|--------------------|---|
| Overall Goal | To create a faster, easier and less complex housing permitting process that will facilitate the creation of housing. |
| Intermediate Goals | <p>Permitting Czar in place by Winter 2001.</p> <p>Systems streamlining will be a continuing effort throughout the duration of this initiative. Specific targets and accomplishments will be established at each semi-annual meeting of the Advisory Panel.</p> |

Affordable & Supportive Housing Siting Policy

- | | |
|--------------------|--|
| Overall Goal | To create clear policy statements defining how the City will support special needs and subsidized housing siting. This will provide developers of these housing types with greater confidence that their projects will proceed in a timely manner. |
| Intermediate Goals | <p>By 12/31/2000 the Strategic Homeless Planning Group (SHPG) will issue its report, including recommendations to the City regarding siting issues for shelters, transitional and supportive housing and permanent housing.</p> <p>Develop a draft policy statement for public comment by 3/31/2001.</p> |

Innovative Zoning Management & Main Street Housing

- | | |
|--------------------|---|
| Overall Goal | To use the BRA's zoning authority in more flexible and creative ways to facilitate the creation of housing. |
| Intermediate Goals | <p>Over the next three years, new zoning guidelines will be developed that can offer density incentives, encourage adaptive reuse of downtown and transit-oriented housing.</p> <p>By Winter 2001, the City will identify locations above first-floor commercial spaces where residential units can be created.</p> |

ABANDONED & VACANT HOUSING INITIATIVES:

Abandoned Buildings Campaign

- Overall Goal To reduce the number of abandoned residential buildings by 50%: from 376 at the end of 1999 to 188 by 6/30/2003.
- Intermediate Goal Annual report will be published each Fall documenting and analyzing the City's progress toward this goal.

Receiverships

- Overall Goal To reduce the number of abandoned buildings by establishing receiverships on properties where owners have not responded to City incentives or community pressures.
- Intermediate Goals A receivership strategy will be prepared for the first semi-annual meeting of the Advisory Panel in January 2001.

Vacant Apartments & Senior Vacant Apartments Projects

- Overall Goal To increase the housing supply by renovating and reoccupying 200 vacant apartments in buildings owned by lower-income homeowners and seniors.
- Intermediate Goals By 6/30/2001: 35 units completed and another 35 units in progress.
By 6/30/2002: total of 105 units completed, 50 units in progress.
By 6/30/2003: total of 200 units completed or in progress.

FINANCING & TAX INCENTIVES FOR MIXED-INCOME & MIDDLE-INCOME HOUSING:

- Overall Goal Support increased private development of housing that is affordable to middle-income people or as a mixed-income development through tax and financing incentives.
- Intermediate Goals ***Blue Ribbon Panel on Housing Finance*** will be established in 2001 to address these issues as well as new revenue sources for housing.
BRA Task Force of financial experts economists and lawyers will study BRA opportunities and report its findings by February 2001.

II. HOUSING PRESERVATION

OVERALL GOAL: 10,000 UNITS BETWEEN 7/1/2000 AND 6/30/2003

HOUSING PRESERVATION ALLIANCES:

- Overall Goal 1,000 units preserved between 7/1/2000 and 6/30/2003.
- Intermediate Goals Initiative currently in conceptual stage; start-up workplan for demonstration round will be presented at a January 2001 Advisory Panel meeting.

SHARP HOUSING RESTRUCTURING:

- Overall Goal Preserve 1,242 units of low-income housing between 7/1/2000 and 6/30/2003.
- Intermediate Goals Complete financial assessment of the Boston SHARP portfolio by 12/31/2000.

Begin discussions with MHFA and SHARP project owners by 2/28/2001.

AT-RISK FEDERALLY-FINANCED HOUSING:

- Overall Goal Preserve at least 75% of the 4,137 units of federally-financed housing that has expiring affordability restrictions or Section 8 contracts.
- Intermediate Goals Complete assessments of the projects with imminent opt-out provisions or expiring Section 8 contracts by 12/31/2000.

Workplan/strategy for the imminent projects by 2/28/2001.

3-year overall workplan/strategy for the Advisory Panel will be presented at a January 2001 meeting.

PRESERVATION OF OWNER-OCCUPIED HOUSING:

- Overall Goal Rehabilitation/deleading of 3,000 owner-occupied properties by 6/30/2003.
- Intermediate Goals 1,000 properties complete or in progress by 6/30/2001.
2,000 properties complete or in progress by 6/30/2002.
3,000 properties complete or in progress by 6/30/2003.

ASSISTING RENTERS TO BECOME HOMEOWNERS:

Overall Goal	2,000 renters becoming first-time homeowners between 7/1/2000 and 6/30/2003.
Intermediate Goals	<p>700 renters becoming homeowners by 6/30/2001.</p> <p>Complete development of employer-assisted homeownership program and recruit participating employers between 1/1/2001 and 6/30/2001.</p> <p>Employer-assisted homeownership component operational by 7/1/2001.</p> <p>1,400 renters becoming homeowners by 6/30/2002 in conventional and employer-assisted programs.</p> <p>2,000 renters becoming homeowners by 6/30/2003 in conventional and employer-assisted programs.</p>

III. PARTNERS & RESOURCES

\$30,000,000 CITY FUNDING:

Overall Goal	To make \$30,000,000 of funding available for housing between 7/1/2000 and 6/30/2003.
Intermediate Goals	<p>Complete designation of 154 Berkeley St. by 11/30/00.</p> <p>Council vote to approve \$13 million from Surplus Property Fund by 12/31/2000.</p> <p>Workplan for remaining revenues will be finalized for the January 2001 Advisory Panel meeting.</p>

BLUE RIBBON PANEL ON HOUSING FINANCE:

Overall Goal	To identify and develop new ways to fund and finance housing that will enable the City to achieve the goals in this strategy.
Intermediate Goals	<p>Panel convened by 12/31/2000.</p> <p>Panel draft initial recommendations by 6/30/01.</p>

BOSTON AFFORDABLE HOUSING FINANCE POOL:

Overall Goal	Raise \$50 - \$100 million in financing for affordable housing between 7/1/2000 and 6/30/2003.
Intermediate Goals	<p>Pool design complete by 12/31/2000.</p> <p>Initial contributions/commitments starting January 2001.</p>

APPENDIX 1

Assisted Housing Deficits in the Boston Primary Statistical Metropolitan Area

CITY/TOWN	TOTAL UNITS	# CHAP 40B UNITS	% SUBSIDIZED UNITS	10% STATE STANDARD	DEFICIT
Newton	30,263	1,485	4.91%	3,026	1,541
Waltham	21,675	1,079	4.98%	2,168	1,089
Arlington	19,391	859	4.43%	1,939	1,080
Plymouth	16,860	727	4.31%	1,686	959
Belmont	9,958	276	2.77%	996	720
Marlborough	12,976	592	4.56%	1,298	706
Medford	22,614	1,566	6.92%	2,261	695
Watertown	14,725	792	5.38%	1,473	681
Needham	10,363	377	3.64%	1,036	659
Danvers	9,093	279	3.07%	909	630
Winchester	7,532	137	1.82%	753	616
Natick	12,624	661	5.24%	1,262	601
Everett	15,399	952	6.18%	1,540	588
Quincy	37,616	3,186	8.47%	3,762	576
Brookline	25,219	1,960	7.77%	2,522	562
Walpole	6,982	138	1.98%	698	560
Taunton	20,253	1,469	7.25%	2,025	556
Somerville	31,760	2,622	8.26%	3,176	554
Marblehead	8,597	311	3.62%	860	549
Hingham	7,128	166	2.33%	713	547
Acton	6,871	144	2.10%	687	543
Peabody	18,206	1,279	7.03%	1,821	542
Woburn	14,062	866	6.16%	1,406	540
Milton	8,982	360	4.01%	898	538
Dedham	8,747	343	3.92%	875	532
Wakefield	9,495	433	4.56%	950	517
Wellesley	8,724	396	4.54%	872	476
Randolph	11,252	654	5.81%	1,125	471
Weymouth	21,890	1,720	7.86%	2,189	469
Gloucester	12,301	766	6.23%	1,230	464
Lexington	10,816	629	5.82%	1,082	453
Concord	5,903	139	2.35%	590	451
Swampscott	5,628	128	2.27%	563	435
Reading	8,095	375	4.63%	810	435
Marshfield	7,837	361	4.61%	784	423
Wilmington	5,659	159	2.81%	566	407
Wareham	8,250	423	5.13%	825	402
Stoneham	8,898	488	5.48%	890	402
North Reading	4,157	44	1.06%	416	372
Saugus	9,510	587	6.17%	951	364
Holliston	4,403	78	1.77%	440	362
Hull	4,277	68	1.59%	428	360
Scituate	6,260	280	4.47%	626	346

Appendix 1 Continued (page 2 of 3)

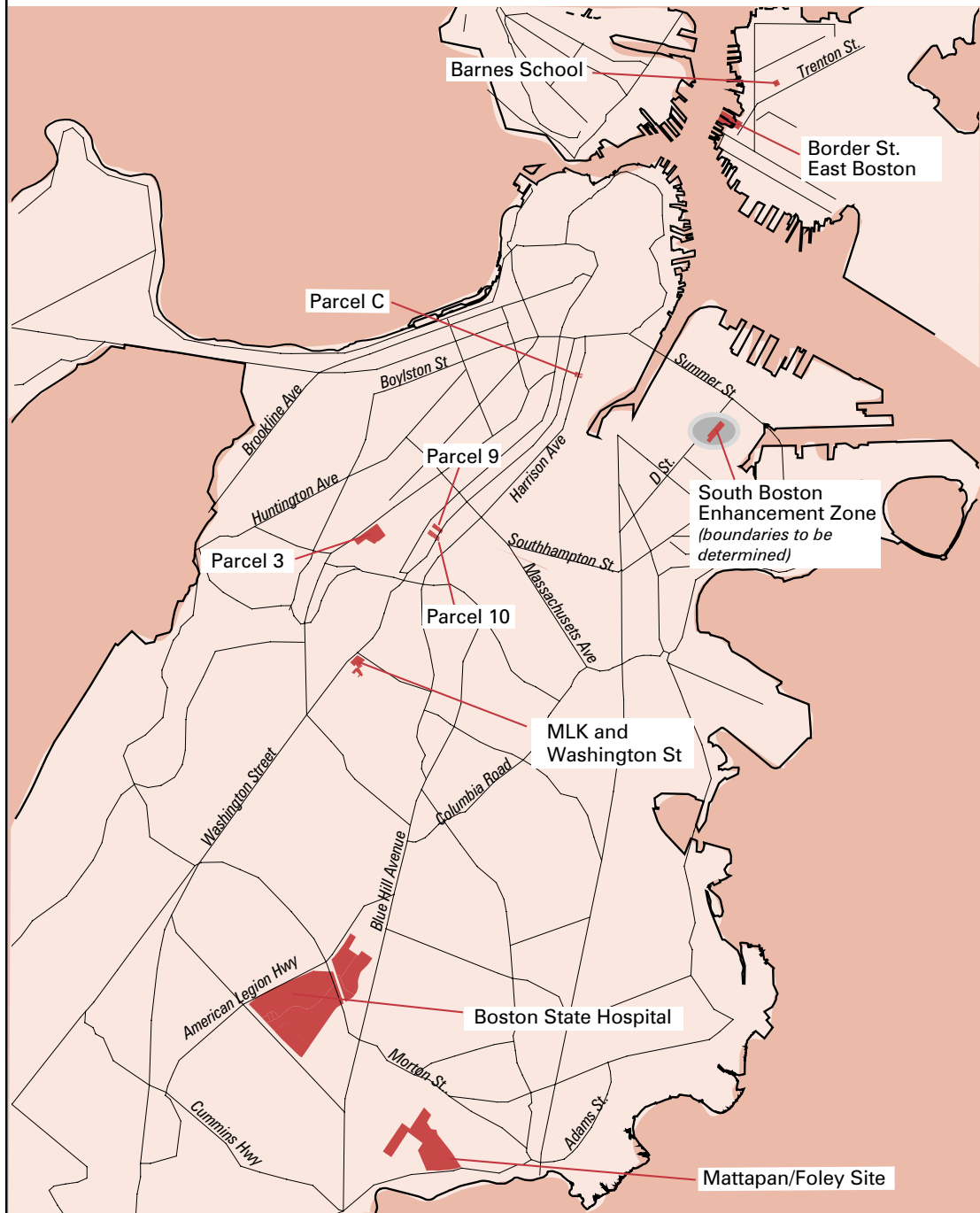
CITY/TOWN	TOTAL UNITS	# CHAP 40B UNITS	% SUBSIDIZED UNITS	10% STATE STANDARD	DEFICIT
Melrose	11,274	796	7.06%	1,127	331
Foxborough	5,458	217	3.98%	546	329
Lynnfield	4,017	78	1.94%	402	324
Duxbury	4,827	172	3.56%	483	311
Norwood	11,563	846	7.32%	1,156	310
Wayland	4,372	139	3.18%	437	298
Amesbury	5,925	295	4.98%	593	298
Carver	3,725	76	2.04%	373	297
Sudbury	4,867	204	4.19%	487	283
Harvard	3,084	33	1.07%	308	275
Weston	3,482	76	2.18%	348	272
Bellingham	5,163	245	4.75%	516	271
Pembroke	4,804	213	4.43%	480	267
Stoughton	9,675	701	7.25%	968	267
Ashland	4,809	216	4.49%	481	265
Sharon	5,320	276	5.19%	532	256
Bedford	4,588	210	4.58%	459	249
Townsend	2,875	50	1.74%	288	238
Franklin	7,675	531	6.92%	768	237
Plainville	2,716	40	1.47%	272	232
Rockport	3,584	134	3.74%	358	224
Winthrop	8,076	593	7.34%	808	215
Hopkinton	3,274	114	3.48%	327	213
Ayer	2,875	77	2.68%	288	211
Norwell	3,064	97	3.17%	306	209
Newburyport	7,180	509	7.09%	718	209
Framingham	26,325	2,429	9.23%	2,633	204
Braintree	12,149	1,015	8.35%	1,215	200
Shirley	2,178	24	1.10%	218	194
Blackstone	2,975	104	3.50%	298	194
Cohasset	2,679	76	2.84%	268	192
Hamilton	2,540	69	2.72%	254	185
Millis	2,830	100	3.53%	283	183
Burlington	8,030	622	7.75%	803	181
Kingston	3,319	155	4.67%	332	177
Medfield	3,498	179	5.12%	350	171
Southborough	2,354	66	2.80%	235	169
Norfolk	2,493	84	3.37%	249	165
Norton	4,827	318	6.59%	483	165
Salisbury	2,660	110	4.14%	266	156
Wrentham	2,910	139	4.78%	291	152
Dover	1,690	17	1.01%	169	152
Hudson	6,668	522	7.83%	667	145
Ipswich	4,933	349	7.07%	493	144
Manchester	2,220	84	3.78%	222	138
Carlisle	1,491	18	1.21%	149	131

Appendix 1 Continued (page 3 of 3)

CITY/TOWN	TOTAL UNITS	# CHAP 40B UNITS	% SUBSIDIZED UNITS	10% STATE STANDARD	DEFICIT
Medway	3,386	208	6.14%	339	131
Lancaster	1,994	70	3.51%	199	129
Hopedale	2,055	80	3.89%	206	126
Newbury	2,147	94	4.38%	215	121
Nahant	1,637	48	2.93%	164	116
Revere	18,680	1,753	9.38%	1,868	115
Hanover	3,832	270	7.05%	383	113
Dighton	1,982	85	4.29%	198	113
Mendon	1,423	30	2.11%	142	112
Topsfield	1,958	84	4.29%	196	112
Maynard	4,206	314	7.47%	421	107
Rockland	5,735	468	8.16%	574	106
Essex	1,362	40	2.94%	136	96
Bolton	1,085	14	1.29%	109	95
Rowley	1,567	78	4.98%	157	79
Westwood	4,450	375	8.26%	445	70
Stow	1,834	117	6.38%	183	66
Millville	832	18	2.16%	83	65
Middleton	1,882	125	6.64%	188	63
Mansfield	6,340	577	9.10%	634	57
Milford	9,810	942	9.60%	981	39
Canton	6,772	640	9.45%	677	37
Wenham	1,204	92	7.64%	120	28
Littleton	2,658	240	9.03%	266	26
Upton	1,882	163	8.66%	188	25
Holbrook	4,034	392	9.72%	403	11
Berlin	829	72	8.69%	83	11
Berkley		No data			No data
Boxborough		No data			No data
Sherborn		No data			No data
Boston	249,976	48,579	19.43%	24,998	0
Chelsea	11,568	1,918	16.58%	1,157	0
Cambridge	41,803	6,450	15.43%	4,180	0
Lynn	34,615	4,272	12.34%	3,462	0
Salem	17,091	2,053	12.01%	1,709	0
Malden	23,180	2,407	10.38%	2,318	0
Beverly	15,589	1,586	10.17%	1,559	0
Lincoln	1,742	175	10.05%	174	0
TOTAL BOSTON PMSA	1,279,432	118,601			37,226
Boston as % of PMSA Total	19.54%	40.96%			

APPENDIX 2						
FY2000 FEDERAL INCOME STANDARDS FOR THE BOSTON METRO AREA						
INCOME CATEGORY	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons
30% OF MEDIAN	\$13,750	\$15,700	\$17,700	\$19,650	\$21,200	\$22,800
50% OF MEDIAN	\$22,950	\$26,200	\$29,500	\$32,750	\$35,350	\$38,000
60% OF MEDIAN (HOME PROGRAM)	\$27,500	\$31,400	\$35,400	\$39,300	42,400	\$45,600
80% OF MEDIAN	\$36,680	\$41,920	\$47,160	\$52,400	\$56,592	\$60,784
100% OF MEDIAN	\$45,850	\$52,400	\$58,950	\$65,500	\$70,740	\$75,980
120% OF MEDIAN	\$55,000	\$62,800	\$70,800	\$78,600	\$84,800	\$91,200

Appendix 3 MAJOR POTENTIAL HOUSING SITES



DEPARTMENT OF NEIGHBORHOOD DEVELOPMENT
Research and Mapping Unit

Endnotes:

1. “U.S. Metro Economies: the Engines of America’s Growth” Standard and Poor’s DRI for U.S. Conference of Mayors, 1999
2. “New Paradigm for Housing in Greater Boston” Northeastern University, September, 2000
3. Ibid
4. U.S. Bureau of the Census, American Housing Survey, 1998.

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